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Clinton Gives Kohl Plan For Special Relationship

An Aid Alliance On East Europe

By Thomas L. Friedman
New York Times Service

BERLIN — Acknowledging that a united Germany is now the powerhouse nf Europe, President Bill Clinton urged the Germans on Mnnday to become America's main partners in integrating former East European Communist nations with the economic and military institutions of the West.

Mr. Clinton's basic message was that the German-American military alliance of the Cold War, which had the United States in a superior role, must be replaced with a more eqnal partnership focused oo economics and the unification of Europe.

President Clinton and Chancellor Kohl demonstrate their chemistry again. Page 3.

Mr. Clinton noted: "Trade, as much as troops, will increasingly define the ties that bind nations in the 21st century."

American officials make clear that they view the other European countries, such as Britain and France, are either too economically weak, or too inward looking, to play a leadership role in Europe.

The "special relationship" is increasingly with Germany.

Chancellor Helmut Kohl said after his talks with President Clinton that his nation was ready to assume the more assertive posture Washington is seeking.

"The excuse that we had for the past 40 years was that as a divided country we were unable to take certain decisions," said Mr. Kohl. "That is something that is no longer valid."

Mr. Clinton and Mr. Kohl said they did not discuss the American dollar, which fell 1 percent Monday against the Deutsche mark — a huge amount for a single day — closing in Frankfurt at 1.5495 DM.

American officials have rationalized the fall of the dollar against the Japanese yen as the natural result of Japan's huge trade surplus with the United States, but the fall of the dollar against the Deutsche mark has tn be deeply worrying because it suggests a broader loss of confidence.

Mr. Clinton, the first American president to visit Germany since unification, is visiting Bonn and Berlin in a turning point in history.

Tuesday, he will preside over the deactivation of the last American military unit in Berlin, where there has been a U.S. troop presence for 49 years.

By coincidence, the German high court is expected to rule Tuesday, probably in the affirmative, on the constitutionality of German troop participation in military operations beyond the country's borders.

And Germany is finally coming out of the recession created by the demands of absorbing the former East Germany.

President Clinton timed his trip here to put America firmly on the side nf an assertive German leadership posture.

After talks between President Clinton and Chancellor Kohl at the German leader's office in Bonn, Mr. Clinton said at a news conference: "We know from our experience how half of Europe was integrated through NATO and other institutions that built stability after World War II.

"At the heart of our discussion today was what we have to do to integrate Europe's other half, the new independent nations: Poland, the Baltic countries, Russia, Ukraine, Hungary, the Czech Republic, Slovak Republic and others."

While all the attention in the past year

See CLINTON, Page 5

Dollar Sellers Send a Signal To America

By Lawrence Malkin
International Herald Tribune

NEW YORK — The dnllar plunged against the yen and major European currencies Monday in a rout that sent a message to the Federal Reserve to raise interest rates and to the Clinton administration to stop neglecting America's currency.

After leaders from the Group of Seven industrialized countries left their weekend summit meeting without even mentioning the dollar in their communiqué, the currency lost almost four pfennigs against the Deutsche mark to bottom at the lowest point in 20 months.

The dollar also fell to another in a series of postwar lows against the yen and to a 13-month low against the pound.

The dollar closed Monday in New York at 1.5280 DM, down from 1.5610 Friday, at 1.2890 Swiss francs, down from 1.3160, and at 5.2525 French francs, down from 5.3650. The dollar closed at 97.725 yen, downfrom 98.055. The pound strengthened to $1.5720 from $1.5495.

Dealers said the dollar would have weakened even further against the yen if not for the death of the North Korean leader, Kim Il Sung. Uncertainty in Asia prompted some of those dumping dollars to exchange them fnr European currencies instead nf yen.

There were as many explanations for what had turned a steady erosion into a major selloff as there were experts and analysts. Most agreed with Broowyn Curtis, nf Nomura Securities Co. in London, that the Clinton administration had helped bring this on itself by talking down the dollar to gain a trade advantage against Japan, thus upsetting the normal cycle of Japanese companies reinvesting their export profits in dollar-denominated bonds.

"But what made the spiral so deep, and when does it stop?" she asked. "I've spent hours on the phone in international conference calls today, and there is no clear answer."

Wayne Angell, an inflation hawk who served as vice chairman of the Federal Reserve Board and is now chief economist at Bear Sterns & Co., said the Fed was falling way behind in raising interest rates. If the Fed waits for the August meeting of the policy-setting Federal Open Market Committee to tighten, it will have to raise short-term rates a full percentage point, to 5.25 percent, Mr. Angell told clients.

He said he expected a quarter-point raise well befnre then. A signal could come on July 20, when Alan Greenspan, the chairman of the Federal Reserve Board, appears before Congress for his semiannual report nn the Fed's targets.

In the meantime, many traders and analysts focused on the international bond market and what the Federal Reserve could do to stabilize it. More

See DOLLAR, Page 8

Luke Frazza/Agence France-Presse

President Bill Clinton and Chancellor Helmut Kohl congratulating each other Monday after their news conference.

Kim Jong Il Makes Public Appearance With Military

Heads of Forces Gather Around Designated Heir As Father Lies in State

By T. R. Reid
Washington Post Service

SEOUL — Kim Joog Il, the mysterious man whn may become the next dictatnr of Communist North Korea, made his first publie appearance in weeks on Monday night, presiding over an elaborately emotional mourning ceremony beside his father's glass-covered coffin.

A brief videotape from Pyongyang's state-run television showed the 52-year-old son, wearing a black arm band on his gray Mao suit and weeping intn a handkerchief, with all the natioo's military leadership gathered around him at the Presidential Palace where the late ruler Kim Il Sung lies in state.

Family members that some analysts think might be competing for power — the ruler's second wife, Kim Soog Ae, and her son, Kim — were not visible.

Again nn Mnnday, Nnrth Knrean broadcasts referred to Kim Jong Il with such titles as "Excellency" and "Great Leader," titles previously reserved for his father, the nnly ruler in North Korea since its creation after World War II.

But there was still on annnuncement that his son has successfully taken control nf what is called a hermit state and its million-member military force.

South Korean officials said a formal declaration could come in days, or weeks, or never, depending nn hnw successfully the soo maneuvers in the immediate future.

The South Korean foreign minister, Han Sung Joo, said experts in Seoul believed Kim Jong Il was "most likely" to take over as ruler. But Mr. Han said the lack nf a clear decisinn so far makes South Knrea somewhat wary of the prospects for a North-South summit meeting.

A summit meeting between Kim Il Sung and President Kim Young Sam — the first such session since the Korean Peninsula was split into twn countries — had been schednled fnr July 25.

The North sent a hrief mtice Mnoday saying that the summit meeting must be "postponed" because of the death of Kim Il Sung.

On Saturday, South Korean nfficials said they would be willing to go ahead with a meeting as soon as the North named a new president.

But Seoul's foreign minister was more reserved nn Mooday, indicating that the South would oot agree to such a meeting until some North Korean leader could demonstrate actual control.

"If and when a new environment that is conducive to hnlding a summit arises, discussions for the inter-Korean summit will resume," Mr. Han said.

Plans for the long-awaited summit session "maybe will go hack to Square Two," Mr. Han added.

That means, he said, that the principle nf a summit meeting is still in place, hut "a oew oegotiation will have to take place" between the two Koreas about the time and conditions for a summit meeting, after the power transitino in the North is completed.

Mr. Han said that North Korea's high-level talks with the U.S. in Geneva would be delayed indefinitely.

"We have nbviously lost a few days to a few weeks in Geneva, as the North Korean delegation has to go back to Pyongyang and wait until after the funeral fnr its directinns."

Mr. Han said that South Korea has seen "nothing that contradicts the announcement of the cause nf death."

Some officials speculated that he might have been the victim of a palace coup, perhaps from hard-liners who opposed his moves toward oegotiation with the United States and South Knrea.

Pyongyang has said no foreigners will be admitted for the funeral.

Just three weeks ago, Mr. Kim was host for a visit by former President Jimmy Carter, and Mr. Carter served as go-between in arranging the North-South summit meeting.

But according to Mr. Han and nther South Korean officials, Mr. Carter was rebuffed on Saturday when he contacted Pyongyang and asked about attending the funeral.

Ukraine and Belarus Throw Out Leaders

By Fred Hiatt
Washington Post Service

KIEV — Angry voters in Ukraine and oeighboring Belarus have cast their leaders out of office, registering strong protests over the corruption and economic hardship of post-Soviet life, nfficials said Monday in releasing results of Sunday's elections.

The presidents-elect of Ukraine and Belarus both swept into office with promises to impose order, crack down on corruption, improve living standards and hroaden economic ties with their giant neighbor to the east, Russia.

The victories dramatically shifted the political landscape in the territory between Russia and Central Europe and heralded a period of change and potential instability in twn nations that have been more timid than Russia in embarking nn free market refnrms.

Ukraine, the larger of Russia's two Slavic neighbors with 52 million people, chose as its next president Leonid S. Kuchma, a former prime minister and engineer.

Mr. Kuchma, 55, who once headed the Soviet Union's higgest missile factory, vowed to maintain Ukraine's independence, but said the nation must turn to Russia for economic ties.

With more than 52 percent of the vnte, according to preliminary figures, he defeated the incumbent, Leonid M. Kravchuk, 60, whn was believed to have enjoyed the tacit support of the United States and nther Western countries.

Belarus, a nation of 10 million electing a president for the first time, gave 80 percent of its vote to populist Alexander Lukashenko, a former collective farm director,

See ELECTIONS, Page 5

Burma Softens Hard Line on Dissident

By Philip Shenon
New York Times Service

RANGOON — The head of Burmese military intelligence said Monday that he would accept an invitation to meet with Daw Aung San Suu Kyi, the imprisoned dissident leader and Nobel laureate, in a demonstration of his government's willingness to "work hand in hand with politicians whn have opposed us in the past."

The intelligence chief, Lieutenant General Khin Nyunt, is often described as the most powerful man in the government, and a meeting with Daw Aung San Suu Kyi would be an important symbolic step towards political reform.

General Khin Nyunt did not set a date for the meeting and suggested that the timing could be decided nnly after further deliberations within the junta. "The meeting will take place at an appropriate time," he said in an interview in which he was ootably conciliatory toward the pro-democracy leader, a woman he described in the past as a dope of Burmese Communists.

"Daw Aung San Suu Kyi is oot an enemy," be said. "In fact she is the daughter nf one of nur generals. She is younger than me, and I think of her like a younger sister."

Noting that the junta had recently signed peace settlements with several ethnic rebel groups, he added, "We are willing to work hand in hand with the politicians who have npposed us in the past."

General Khin Nyunt said it was too early to discuss an agenda for the meeting with Daw Aung San Suu Kyi, who on July 20 will enter her sixth year under house arrest in her family's lakeside compound here.

Diplomats and other Burmese officials said the meeting would almost certainly oot take place uotil after a natiooal coostitutional convenion reconvenes in September.

The convention, which is being conducted mostly outside puhlie view and under the tight cootrol of the country's military, is expected to produce a constitutinn that will enshrine the military's political role

See BURMA, Page 5

For East German Diplomats, the Cookie Crumbles

By Stephen Kinzer
New York Times Service

BERLIN — The group of slightly shabby retirees chatting outside a library in eastern Berlin one recent afternoon hardly looked like former members of an international elite, at ease in the company of kings and presidents.

Until 1990, these men and women were East Germany's diplomats, among them specialists with unique webs of contacts in foreign lands. They are now banned from diplomatic service, forbidden to practice the nnly trade most of them knnw.

Nn longer dn they enjoy the privileges of large staffs, limousines, official residences and gilt-edged invitations to state functions.

Many live anonymously in drah apartments, the glitter of their former lives fading into memory.

Some, brooding in their forced retirement, have become angry and embittered. Others have found oew careers and are making more money than East German functionaries ever dreamed of.

The former diplnmats have formed a club, the Association for International Politics and Human Rights. At their recent meeting in Berlin, the chairman, Siegfried Bock, a former ambassador to Romania, announced seminars no Cuba, Russia and "the Albanian factor in Balkan politics."

He also announced that the association had recently sent congratulatnry telegrams to Nelsoo Mandela and Yasser Arafat.

"In South Africa and Palestine, goals fnr which East Germany and its diplomats fought fnr years are being achieved," Mr. Bock asserted.

Nearly 200 former diplomats in the audience represented an aging but unique resource, a veritable foreign-ministry-in-waiting with sweeping knowledge of languages, history and personalities.

However, the German government, fearful nf the implications of hiring diplomats who spent their careers serving communism, wants nothing to do with them. Bonn did not even seek to debrief them or ask them for suggestions on how to deal with the countries in which they once served.

Many of the unwanted diplomats have found lucrative work in countries where they were posted. Former ambassadors to China and Vietnam, for example, now run thriving businesses representing European companies in those countries.

A former ambassadnr to Cuba runs a travel agency that specializes in Havana vacations.

Others, particularly those who were at lower and middle levels, now work as cooks and taxi drivers. A few are unemployed and without prospects.

For a brief period while German reunification was being designed in 1990, it appeared that at least some

See ENVOYS, Page 5

Kiosk

Israeli Troops Hunt Militants in Nablus

NABLUS, Israeli-Occupied West Bank (AP) — Israeli troops paralyzed the largest West Bank city Monday duriog extensive searches for Islamic militants, besieging a home in the war-reo-like casbah and killing two Palestinian men.

The two dead were believed responsible for attacks on Israelis, but the army kept the story under censorship fnr more than 11 hours.

The 110,000 people in Nablus, 70 kilometers north of Jerusalem, were under curfew, with mnvement banned. Tension is rising in the West Bank, where residents feel the Palestinian self-rule plan in Gaza and the West Bank town of Jericho has done little to ease Israel's occupation.

General News

Jacques Santer of Luxembourg is the latest EU front-runner. Page 2.

WORLD CUP GRANDSTAND

Hero in Sweden's Net

Thomas Ravelli, the Swedish goalkeeper, may be his team's oldest player at 34, but he still had enough fire in his heart to become the hero of a penalty-kick shootout with Romania. Thanks to his two blocked shnts, Sweden advanced to a semifinal against Brazil.

New World Soccer Order

There is a new world order developing in soccer, decentralized and unpredictable, and as stirring as the last postwar order, which began with Hungary's 1954 final upset by West Germany, Ian Thomsen writes. The new deal began to seep in with Denmark's 1992 victory over Germany in the European Championships and it has spread to Eastern Europe, where Bulgaria and Romania used to be isolated and inexperienced. But oow their players have seen the world, and they aren't so easily intimidated.

Wednesday's semifinal matches: Italy vs. Bulgaria, at East Rutherford, New Jersey, 2005 GMT; Brazil vs. Sweden, at Pasadena, California, 2335 GMT.

World Cup report: Pages 16 and 17

Newsstand Prices

Andorra	9.00 FF	Luxembourg	60 L. Fr
Antilles	11.20 FF	Morocco	12 Dh
Cameroon	1,400 CFA	Qatar	8.00 Rials
Egypt	E.P. 5000	Réunion	11.20 FF
France	9.00 FF	Saudi Arabia	9.00 R.
Gabon	960 CFA	Senegal	960 CFA
Greece	300 Dr.	Spain	200 PTAS
Italy	2,600 Lire	Tunisia	1.000 Din
Ivory Coast	1.120 CFA	Turkey	T.L. 35,000
Jordan	1 JD	U.A.E.	8.50 Dirh
Lebanon	US$ 1.50	U.S. Mil. (Eur.)	$1.10

Dow Jones: Down 6.15, 3702.99

Trib Index: Up 0.93%, 113.41

The Dollar

New York.	Mon. close	previous close
DM	1.528	1.561
Pound	1.572	1.5495
Yen	97.725	98.055
FF	5.2525	5.365

A 'Lightweight' Leader May Be What EU Powers Want

By Tom Buerkle
International Herald Tribune

BRUSSELS — The European Union narrowed its search for a successor to Jacques Delors on Monday but EU sources said the process appeared to have eliminated the best qualified candidates.

Chancellor Helmut Kohl of Germany on Monday formally summoned the other 11 heads of government to a summit meeting here Friday to anoint a candidate for the presidency of the European Commission. The move increased pressure on his colleagues to agree on a candidate and avoid a repeat of the embarrassing failure in Greece two weeks ago, when Prime Minister John Major of Britain vetoed Belgium's Jean-Luc Dehaene at the last minute.

The latest front-runner, EU sources said, was Prime Minister Jacques Santer of Luxembourg. He enjoys solid German and French backing, sources say, and as a Christian Democrat from a small member state, he has the right credentials to replace Mr. Delors, a French Socialist.

But despite being regarded as an able man, he packs little clout as leader of the Union's smallest country. "Our feeling is he's a lightweight," a Belgian official said.

The other name most often mentioned, Poul Schluter, the former Danish prime minister, is skeptical of European integration. His country has opted out of the Union's common defense and justice policies.

Mr. Schluter, who resigned 18 months ago over an immigration scandal, is best known for his dismissive response in 1986 when asked if Denmark was giving up its sovereignty in signing the Single European Act, which paved the way for the 1992 single market. "The European Union is stone dead," he replied.

Asked about the two men's merits, a German official said that "both are basically acceptable to all member states."

But that comment underlines the dilemma facing EU leaders. Stronger candidates have been either vetoed, like Mr. Dehaene, rejected by France and Germany, as was the Dutch prime minister, Ruud Lubbers, or pulled themselves out of the running, as Spain's Felipe González has done.

Despite the German contention that this is the most important job in Europe, leaders seem likely to reach agreement only on the lowest common denominator, EU officials said. That is especially the case after Mr. Major said Monday that he stood ready to veto any candidate not in Britain's interest.

Still, it is impossible to predict how any candidate will perform. Mr. Delors showed as much by being plucked from relative obscurity at the last minute in 1984, only to lead Europe into the single-market program and the Maastricht treaty, which envisages a Europe with a common currency, defense and justice policies.

But European officials are bracing for little more than a caretaker successor at the commission who will leave the initiative very much to Bonn, Paris and other capitals as Europe heads for a 1996 conference to redesign institutions for a Union of 20 or more members.

"They're not looking for a very visionary European," an EU official said. "They're looking for a down-to-earth, pedestrian sort of president who would emphasize subsidiarity and not put forward very difficult proposals." "Subsidiarity" is EU talk for limiting the role of the Brussels bureaucracy.

Among the other candidates is Giuliano Amato, the former Italian prime minister. But he has obtained little support from the new conservative government of Prime Minister Silvio Berlusconi.

U.S. Expects Talks With North Korea To Resume Soon

Compiled by Our Staff From Dispatches

WASHINGTON — The chief U.S. delegate to nuclear talks with North Korea said Monday that he expected the suspended negotiations to resume by the end of this month.

"We have said 'in the coming weeks' and I expect that is very likely to be before the end of the month," said Assistant Secretary of State Robert L. Gallucci, "but I can't be certain of that."

Mr. Gallucci, who has been conducting negotiations with the North Koreans, made his comments on television from Geneva after he had been informed that the meetings were being suspended because of the death of President Kim Il Sung.

Asked if he had assurances that the North Korean president's death did not mean the end of the talks, Mr. Gallucci said:

"I think we have the closest thing to assurances. We have an agreement that after the period of mourning, which will end with a funeral on the 17th of this month, that the North Koreans will contact us through their mission in New York and give us a date which they will propose for the resumption of our talks."

He said the United States was "reasonably certain" that the negotiations would go forward.

The talks represented an unusual opening to the West in one of the last acts ordered by Kim Il Sung.

Their continuity is a high U.S. priority, providing the North Koreans keep their word on allowing continued United Nations monitoring of their nuclear installations.

In Bonn on Monday, President Bill Clinton said: "I think it is in the interest of the United States that North Korea continue to suspend its reprocessing refueling, and continue to engage in those talks. They have told us that the talks will resume after an appropriate time for grieving."

Mr. Gallucci said that in a meeting with the North Korean delegation leader, Kang Sok Ju, the first deputy foreign minister, he was told, "in effect, that we should expect that the policy pursued by President Kim Il Sung would be continued by the new government.

"That policy, as we knew it, in recent weeks brought us an agreement to a freeze on their nuclear program, in the active portions of their program, so we anticipate therefore that as a basis for the continuation of the talks, that freeze will remain in place, and, as the president has noted, we have — IAEA has its inspectors on the scene, and if that were not to be the case, we would know immediately," he said.

He was referring to the International Atomic Energy Agency, which monitors nuclear energy programs to see that they are not diverted for military uses. North Korea's program is widely suspected of being part of a covert arms effort.

Peter Northall/The Associated Press

Two Rwandans carrying an injured relative home during the weekend after detention camps were opened in Kigali.

France 'Fervently' Seeks UN Troops for Rwanda

Reuters

UNITED NATIONS, New York — Prime Minister Edouard Balladur said Monday that France had fulfilled its mission in Rwanda and that it was time for the United Nations to send troops and humanitarian aid to head off a fresh crisis.

Mr. Balladur told the Security Council that France would make available to a UN war crimes commission information it had gathered on those responsible for hundreds of thousands of deaths of minority Tutsi in Rwanda.

"The perpetrators of the massacres will be held liable for their acts before the international community," he said.

Mr. Balladur and Foreign Minister Alain Juppé came to New York on a four-hour visit to speak to the 15-member council and senior UN officials.

He said France was "fervently seeking" reinforcements for the UN Assistance Mission in Rwanda, which "should be deployed as soon as possible."

The prime minister said, "The French and Senegalese forces in Rwanda cannot take the place of the operation decided upon by the Security Council."

As Mr. Balladur spoke, Rwandan rebels closed in Monday on the last major town between them and the government. Military sources said the town might fall in a day.

Aid agencies in the eastern Zairean border town of Goma said they were bracing for up to a million displaced people after the northwestern town of Ruhengeri fell and rebels pushed on to the lakeside border town of Gisenyi, last refuge for Rwanda's interim government.

Ruhengeri is the only major stronghold between the Tutsi-dominated Rwanda Patriotic Front and the Hutu government, which fled earlier rebel offensives to Gisenyi.

Kim Jong Il Appears On Track to Take Over

Compiled by Our Staff From Dispatches

SEOUL — There were strong signs from Pyongyang on Monday that Kim Jong Il, the reclusive heir-apparent, was moving smoothly to succeed his father as leader of North Korea.

Most importantly, the security forces, which are the pillar of the regime, expressed their loyalty to the son, according to a broadcast by Radio Pyongyang, monitored by the BBC.

"Recalling the glorious, brilliant and revolutionary life and the immortal achievements of the great leader Comrade Kim Il Sung ... they are warmly overflowing with a revolutionary zeal to endlessly consummate the *juche* revolutionary cause under the dear leader Comrade Kim Jong Il's leadership," Radio Pyongyang said.

Juche is the doctrine of self-reliance put in place by the elder Kim, who ruled the country for nearly 50 years until his death last week.

Rodong Sinmun, the daily newspaper of the Communist Party, added its voice of praise.

"His tested leadership," the paper said, definitely guarantees the successful inheritance and accomplishment through generations of the revolutionary cause of juche, started and led by Comrade Kim Il Sung.

"We will entrust our destiny entirely to Comrade Kim Jong Il and remain loyal and devoted to him. No matter what may happen, we must accomplish the cause of socialism and build on this land a Communist paradise where the independence of the popular masses is fully achieved, thus realizing what the great leader desired."

A top-level meeting of the North Korean ruling party was apparently under way in Pyongyang, according to a foreign journalist there reached by telephone from Beijing.

"A large number of official cars, most of them belonging to members of the party's Central Committee, were seen in front of the Palace of People's Culture," he said.

(AP, Reuters, AFP)

Ex-Chief of CIA Raises Possibility Kim Was Killed

Reuters

WASHINGTON — Robert M. Gates, the former CIA director, said Monday he would not rule out the possibility that President Kim Il Sung of North Korea was killed by hard-liners wary of the tack he was taking with the United States and South Korea.

"I think there is some small chance that he met his end other than with a heart attack," said Mr. Gates, who headed the CIA from November 1991 to January 1993. Mr. Gates said such a plot was not the most likely explanation, "but it can't be dismissed." If it did turn out that the 82-year-old leader was killed, it could be bad news for future relations.

He said he believed Kim Jong Il, the president's son and designated successor, was "something of a flake," based on the information he had when he headed the CIA.

"Frankly, I think he will have to bend in a direction that is congenial to the North Korean generals. And I don't think that's very encouraging."

Mr. Gates said the timing of Mr. Kim's death, just as North Korea held fresh talks with the United States and planned its first-ever summit meeting with South Korea, was "all too convenient" and raised suspicions in the case of a man not known to have had cardiac problems.

11 Are Killed by Gunmen in Algiers

7 Foreigners Among Victims, Police Blame Terrorists

Agence France-Presse

ALGIERS — Gunmen killed eleven people Monday in Algiers, seven of them foreigners, prompting concern that Islamic fundamentalist guerrillas are intensifying a terror campaign.

There was no immediate claim of responsibility for the attacks, but Algerian security services described them as "terrorist" acts, a term normally used by officials to refer to activities by armed Islamic groups.

In one attack, gunmen opened fire on a restaurant in the Algiers Zoo, killing two Algerians and two persons from the former Yugoslavia while they were eating lunch.

Earlier, five foreign workers were taken off a bus in an Algiers suburb, separated from Algerian passengers, forced to kneel and shot, witnesses said.

One of the victims was Russian, one Ukrainian and two were from Belarus, a spokesman for the Russian Embassy in Algiers said, in a report carried in Moscow by the agency Itar-Tass. The fifth was from Romania. The Algerian government had initially said they were all Russian.

In a third attack, gunmen killed two Algerian officials late Monday, the security services announced.

Mohammed Bekkouche, director of the National Veterinary College, was killed in the eastern suburbs of Algiers while Ouramdane Amokrane, general director of the National Professional Training and Equipment Agency, was shot in Birkhadem, south of the capital.

Officials said the circumstances of the shootings were not clear.

The victims of the bus shooting were contract workers with the state oil company and were on their way to work in Algiers when the bus was halted.

Russia said it was "very seriously worried" by the attack and asked the Algerian government to "take the necessary measures to ensure the safety" of foreigners. It called it "a matter of the first importance" for Moscow.

The violence came less than a week after seven Italian sailors died in an attack blamed on fundamentalists. The Italian news agency ANSA reported that police had arrested two suspects in the killings.

With the latest deaths, Islamic fundamentalists are believed responsible for the deaths of 51 foreigners since last September.

Pastel Is Stolen at Louvre While 27,000 People Visit

The Associated Press

PARIS — A fragile 17th century pastel by the French artist Robert Nanteuil was stolen from the Louvre during visiting hours, authorities said Monday. It was the first theft from the museum since 1990.

"Portrait of Jean Dorieu," created in 1660 and valued at about 500,000 francs ($93,000), was removed from its frame on Sunday. A visitor noticed the empty frame and alerted security guards, who sealed off exits and searched departing visitors. About 27,000 people were in the museum at the time of the theft, officials said.

The last art theft from the Louvre was on July 4, 1990, when a Renoir portrait was taken. It was recovered two months later.

The museum's director, Michel Laclotte, said the Nanteuil work, a portrait of a magistrate, was "extremely fragile" and almost certain to be damaged by the theft.

WORLD BRIEFS

Outlawed Khmer Rouge Proclaims Cambodia 'Provisional Government'

PHNOM PENH (AFP) — The Khmer Rouge guerrillas proclaimed a provisional government Monday in part of northern Cambodia, a move swiftly dismissed as "meaningless" by officials here in the Cambodian capital. "The National Assembly has already passed a law outlawing the Khmer Rouge," Cabinet Minister Sok An said. "They are outlaws."

In a broadcast monitored in Bangkok, Khmer Rouge radio named Khieu Samphan as prime minister and national army minister in a Provisional Government for National Solidarity and the National Salvation of Kampuchea.

The provisional government, formed at a "special meeting" Saturday and Sunday and based in Preah Vihear Province, recognized King Norodom Sihanouk as "the true patriotic and honorable king of the Khmer nation," the radio said.

By some counts, as much as a sixth of Cambodia is under control of the Khmer Rouge, which boycotted UN-sponsored elections last year and began hit-and-run raids on government positions. The ultranationalist, Maoist faction was blamed for the death of about a million Cambodians in a four-year reign of terror in the 1970s.

A Neo-Nazi Songfest Sparks Furor

POTSDAM, Germany (Reuters) — A senior German police officer was suspended from duty Monday for failure to prevent a far-right concert from taking place in the eastern town of Rüdersdorf. Orders had been issued to stop it.

A spokesman for the Interior Ministry of the state of Brandenburg, just outside Berlin, said several hundred extremists attended the weekend concert, singing banned songs and exchanging neo-Nazi propaganda.

The ministry had called on all police stations to use all "legal means" to stop the rightists from gathering. Police officers stood by and failed to interfere. The ministry has launched an investigation.

IRA Says It Killed Ulster Activist

BELFAST (Reuters) — The Irish Republican Army claimed responsibility on Monday for the killing of a Protestant activist in his home in Lisburn, Northern Ireland. In a message to the media, the IRA admitted killing Raymond Smallswood, 44, chairman of the small Ulster Democratic Party.

Mr. Smallswood had served seven years in jail for his part in the attempted murder of an Irish nationalist politician, Bernadette Devlin McAliskey, in 1981.

Police said he died in a hospital shortly after the attack, which was carried out on the eve of the so-called Protestant marching season that marks the 1690 victory of William of Orange over the Catholic James II at the Battle of the Boyne.

Hong Kong Airport Impasse Widens

HONG KONG (Reuters) — One of China's senior officials here said on Monday that substantive problems must be resolved before a long-awaited agreement can be reached on funding the colony's new airport.

Zheng Guoxiong, a deputy director in Hong Kong for the Xinhua news agency, China's de facto consulate, blamed the British for the impasse.

Britain and China signed the preliminary agreement in 1991, but China has since rejected three funding proposals on the grounds they would saddle Hong Kong with debt after its reversion in 1997.

Berlusconi Accused of State TV Grab

ROME (Reuters) — Prime Minister Silvio Berlusconi was embroiled in controversy on Monday over accusations that he had renewed a bid to take control of Italy's state broadcaster, RAI.

The federalist Northern League, largest partner in the coalition government, said Mr. Berlusconi was trying to make RAI subservient to his Forza Italia Party by packing its new board.

Umberto Bossi, the Northern League leader, said RAI must not become an instrument of political information for Forza Italia. Mr. Berlusconi's allies say the ailing network has been mismanaged and needs restructuring.

Turkish Cypriots Close Border Point

NICOSIA (AP) — Turkish Cypriots closed the crossing point between the north and south of this divided island Monday to protest a European Court ruling that their breakaway state has no legal status.

About 1,000 Turkish Cypriot demonstrators blocked movement between the Turkish-occupied north and the Greek Cypriot-controlled south.

The court's verdict was a heavy blow to the economy of the self-styled Turkish Republic of Northern Cyprus because it effectively banned the export of its farm produce to European Union states.

TRAVEL UPDATE

Strikes to Cut Back Air Inter Flights

PARIS (AFP) — A strike by staff members of the domestic French airline Air Inter, worried about growing competition from foreign airlines, was expected to stop a third of all flights Tuesday, while a separate action by air traffic controllers in Aix-en-Provence threatened to disrupt other journeys.

Disruption could worsen Wednesday, the eve of the French national holiday, known outside of France as Bastille Day. Air Inter has asked passengers to reschedule journeys and said extra seats would be provided on other days.

Strikes hobbled Alitalia Monday as flight attendants and ground crew protesting job cuts struck for a day, forcing cancellation of 60 percent of flights — mainly domestic — out of Rome and Naples. Another strike is scheduled July 21 and 22. *(Reuters)*

The bulls ran down nine more people in Pamplona on Monday, in one of the most dangerous days of this year's San Fermin festival in Spain. The injuries brought to 33 the number of people hospitalized this year in the running of the bulls. *(AP)*

Algeria raised airline fares by 20 to 30 percent on Monday to keep up with higher operating costs and a currency devaluation, state radio said. The increases applied to the national airline, Air Algerie, as well as foreign airlines based in Algeria. *(Reuters)*

A wildcat walkout in Oslo hit a major hotel, while other union workers halted food and beverage deliveries to the hotel as a sign of labor solidarity. The strike was called by about 20 Tamils who are working in housekeeping positions at the SAS Scandinavia Hotel to call attention to their working conditions. *(AP)*

A windsurfer was killed by a shark in Reunion, authorities on this French island in the Indian Ocean said Monday. He was the sixth person to be killed by sharks in Reunion's coastal waters since 1980. *(AP)*

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THE AMERICAS / AGREEING WITH HELMUT

★ POLITICAL NOTES ★

Clinton's Judge Was His Pupil

LITTLE ROCK, Arkansas — Twenty years ago, Susan Webber Wright studied navigation law under Professor Bill Clinton. Now she is about to travel through scarcely charted legal waters as the federal judge presiding over a lawsuit that accuses President Clinton of improper sexual advances.

Life can be full of strange twists, especially in a state where it sometimes seems that everyone has crossed paths with everyone else. About the time she was in Mr. Clinton's classroom, she was also out on the campaign trail working against him, in the congressional race that he lost.

A conservative Republican, Judge Wright was appointed to the post on the U.S. District Court in 1990 by President George Bush, and she ruled in some important cases from Mr. Clinton's last years as governor, handing him a mixed bag of victories and defeats.

She is currently presiding over a Little Rock school desegregation case and ruled in 1991 that the court had no authority to extend district tax rates to carry out desegregation.

She has upheld the Arkansas death penalty statute, which Governor Clinton supported, but ruled that Arkansas violated federal law when it cut reimbursement rates to Medicaid providers in 1992.

Now, Judge Wright, 45, has been assigned to a case that brings a rare question of presidential immunity and much more publicity than she says she prefers.

In the federal complaint two months ago, Paula Corbin Jones, a former Arkansas state worker, filed a civil lawsuit accusing Mr. Clinton of making unwanted sexual advances while he was governor in 1991.

Her lawsuit charged Mr. Clinton with violating a federal civil rights law. Lawyers for Mr. Clinton argued last month that he should be given immunity from the civil suit while he is in office and that the lawsuit be put on hold until the immunity question was resolved.

The question of granting immunity for a sitting president from a civil suit involving actions alleged to have occurred before his taking office has arisen only once before, when President John F. Kennedy was sued in California for his indirect role in a traffic accident at the 1960 Democratic National Convention, in Los Angeles.

A California state judge ruled that Mr. Kennedy could be sued as any ordinary citizen could, but the opinion has no binding effect on the Jones case. Judge Wright has said she will rule before Aug. 10 whether to hear the immunity question.

"I think she is going to be very aware that hers is a first in a series of rulings on this issue that have a long-range effect," said Morgan E. Welch, a Little Rock lawyer who attended law school with Judge Wright.

"I think she'll be circumspect on this case, but not mesmerized when she's dealing with the president of the United States. She's not going to be easily swayed by emotions or politics. That makes her good for this case." *(NYT)*

NAACP Looks Beyond Rights

CHICAGO — America's blacks are fighting for something more basic than civil rights, William F. Gibson, the NAACP chairman, said at the organization's 85th annual convention.

"We now have to address the issues of crime, drugs, education," he said, "and housing — the fundamental survival questions that many people do not consider civil rights."

Meanwhile, Executive Director Benjamin Chavis reiterated his plan to draw all elements of the black community together under the umbrella of the National Association for the Advancement of Colored People.

Mr. Chavis was criticized for inviting Louis Farrakhan, the Nation of Islam leader, to a black unity convention in Baltimore last month. Mr. Farrakhan was not invited to speak at the NAACP convention, which runs through Thursday in Chicago, his hometown.

"Disunity among African-American leaders and organizations has impeded our social progress," Mr. Chavis said in his keynote address to approximately 4,000 delegates. "We learn from all. No one of us knows all the answers."

Mr. Chavis also suggested that the NAACP welcome Hispanics into the group, and he called on delegates to make the organization more appealing to young people and inner-city residents.

"This is no time for cynicism nor for disillusionment nor hopelessness," he said. "We are on the move and we are fired up."

Membership, he said, increased in the past year from 490,000 to 675,000, and people under 24 make up 65 percent of the new members. *(AP)*

Quote / Unquote

Floridians at a public meeting in Tampa called by Representative Sam M. Gibbons, a Democrat and acting chairman of the House Ways and Means Committee: "It's communism." "Socialistic." "We're morally opposed to it." Mr. Gibbons: "I understand you. I respect you. There's no need to shout." *(NYT)*

Pat Wellenbach/The Associated Press

HEAVY HITTER — Former President George Bush raising a cap presented to him after induction into the Maine Baseball Hall of Fame in Portland over the weekend.

Clinton and Kohl Chemistry Bubbles Over

By Ruth Marcus
Washington Post Service

BONN — Of all the world leaders President Bill Clinton has met at home and abroad, there is one who clearly stands out as his favorite: Chancellor Helmut Kohl of Germany.

Aides who remark on the evident warmth between the two men point to their common working-class origins, their mutual passion for politics, and their equally impressive appetites.

The chunky president looks positively svelte next to his portly German counterpart, a point that Mr. Clinton mischievously drove home at the NATO summit in Brussels in January when he told Mr. Kohl he had been watching sumo wrestling on television the night before and "I was thinking of you."

The two leaders had a terrific time when they chowed down at Filomena's restaurant in Washington a few weeks later, consuming impressive quantities of food.

The chemistry between the two leaders was evident here Monday when they met again after seeing each other just a day earlier, at the economic summit meeting in Naples.

REPORTER'S NOTEBOOK

In the sun-dappled garden of the German Chancellery, Mr. Clinton was tossed a tricky question about his assessment of Kim Jong Il, the son of the late president of North Korea. He responded by batting it to Mr. Kohl.

"I wish you'd answer that question, Helmut," Mr. Clinton said — and, to his apparent delight, Mr. Kohl obliged.

Germany is holding elections this fall, and Mr. Clinton dutifully hewed to protocol, meeting with leaders of the opposition parties. But his own vote could not have been clearer Monday at the start of a lunch — marinated fillet of beef, soufflé fillet of sole and peach parfait with berry salad — at the Petersburg Guesthouse, atop a mountain overlooking the Rhine.

After listening to Mr. Kohl's toast outlining the roles of Germany and America after the Cold War, Mr. Clinton said: "It reminded me of what so often happens at the G-7 meetings or NATO meetings. They call on me and I say, 'I agree with Helmut.'"

Mr. Kohl beamed at the praise, a welcome political boost here, where the American president is a popular figure. Asked whether Mr. Clinton was deviating from political neutrality, a senior official said, "I think that it's undeniable that the president and the chancellor have very close and warm personal relations."

Monday night, Mr. Kohl showed Mr. Clinton around his hometown, Ludwigshafen.

Haiti Ousts Observers From UN And OAS

By Douglas Farah
Washington Post Service

PORT-AU-PRINCE, Haiti — In another act of defiance toward the world community, Haiti's military-backed rulers ordered international human rights monitors on Monday to leave the country within 48 hours.

The announcement, which came in a note from the Foreign Ministry, was immediately condemned by the United Nations and the Organization of American States, which ran a mission to monitor and document human rights abuses in Haiti.

The Haitian move also drew verbal fire from Washington. "We certainly condemn the illegal de facto regime in Port-au-Prince for its intention to expel the UN-OAS human rights observers from Haiti," a State Department spokeswoman said at a news conference.

The spokeswoman said the decision by Haiti's military leaders was "certainly a serious escalation in the conflict between the regime and the international community."

The joint mission began in 1992 as part of an aborted agreement to return Haiti's ousted president, Jean-Bertrand Aristide, to power. The military, led by Lieutenant General Raoul Cédras, overthrew Father Aristide in a military coup in September 1991.

UN officials in Haiti said that a formal decision on whether to obey the order had not been made, but that the ultimatum would almost certainly be met. On Wednesday, the mission suspended operations when the de facto government questioned their legality.

"Security of our personnel is always right near the top of the list of priorities," a UN official said. "I am pretty sure we will be leaving."

A special envoy for the mission, Dante Caputo, speaking in New York, called the expulsion an "outrageous decision," a "provocation" and an "insult."

"They kill people, they torture people, they rape people," Mr. Caputo said of the Haitian military. "And they don't want any witnesses in their country."

The mission wrote numerous reports documenting human rights abuses by the military and its civilian allies, accusing them of murder, torture and systematic, politically motivated rape.

While powerless to stop abuses, the mission had proved a thorn in the side of the military, issuing a steady stream of reports that strongly linked the military to abuses. The reports were widely viewed as credible by the international community.

The timing of the move by Haiti's de facto government, led by the provisional president, Emile Jonassaint, puzzled some diplomats and observers. They said the action showed the government and its military backers still felt they had nothing to fear from the international community.

In an effort to force the government to step aside, the United Nations, led by the United States, has placed a near-total commercial blockade on Haiti, cutting off the flow of fuel and commerce. Almost all commercial flights also have been cut off, leaving the impoverished nation virtually isolated.

President Bill Clinton and other U.S. officials have said repeatedly in recent days that they do not rule out the possibility of military action to remove General Cédras and other senior military leaders. Almost a dozen warships and U.S. Coast Guard cutters patrol Haitian waters, both to provide a credible threat of force and to enforce the embargo.

"They still don't believe the international community takes this seriously," a UN spokesman said. "They are seriously mistaken."

In Household Homicides, Men Have Edge

By David Johnston
New York Times Service

WASHINGTON — When a spouse kills a spouse, wives are the victims in nearly two-thirds of the cases, a study released by the Department of Justice found.

The survey of 8,063 homicides in U.S. urban areas provided a sketch of murder in families as national attention was focused on domestic violence because of the O.J. Simpson case.

On Friday, a judge ordered Mr. Simpson to stand trial on charges that he killed his former wife and a friend of hers.

The study, by the department's Bureau of Justice Statistics, found that 1,308 victims, or about 16 percent of the total, were related to their killers. Of the rest, 64 percent died at the hands of an unrelated acquaintance, and 20 percent were killed by strangers.

The study, which generally agreed with previous research on the topic, contradicted some beliefs about family violence. The survey did not find that the criminal justice system treated defendants in domestic violence cases less harshly than other accused killers.

The outcomes of family murder cases were about the same as those in all types of murder cases. Defendants were about as likely to be charged with first-degree murder as all murder defendants, and were no more likely to be acquitted or have their cases dismissed.

About half of the defendants in family killings had been previously arrested, a smaller percentage than the three-quarters of the defendants in nonfamily killings.

Firearms were used in 42 percent of family killings, less frequently than in nonfamily homicides, when firearms were used in 63 percent of the cases.

While husbands were much more likely overall to kill their wives than vice versa, among black couples wives killed their husbands at nearly the same rate as husbands killed wives. Forty-seven percent of black spouses killed by a spouse were husbands and 53 percent were wives.

The statistics also drew a stark picture of fathers and mothers who kill their offspring. Of all family murders, more than one-fifth involved parents killing their children, a crime committed more often by mothers than by fathers.

Mothers were more likely to murder a son than a daughter; 64 percent of their victims were sons. Fathers, in contrast, were more likely to kill daughters, who made up 52 percent of the slain.

In murders of children under the age of 12, parents were the defendants in 57 percent of the cases. Nearly 80 percent of the children in these cases had been abused by the parent who killed them.

Several themes ran through the data. Most family killings occurred at night, in the home. Nearly half the defendants and about one-third of those killed had been drinking.

Death Penalty Seen Unlikely in Simpson Case

The Associated Press

LOS ANGELES — Jurors would be unlikely to impose the death penalty against O.J. Simpson because of his popularity, legal experts say.

"There is no way that a jury is going to return a death judgment against O.J. Simpson," said a criminal lawyer, Barry Levin, a former Los Angeles police officer who has investigated nine capital cases.

"What it boils down to is, the only way a jury will kill your client is if he is a complete animal, they hate him," he said.

Few people hate Mr. Simpson. In fact, recent polls show that most see him more as a football hero or celebrity than a man accused of murder.

His only criminal conviction has been a no-contest plea to misdemeanor wife-beating in 1989. He was placed on probation.

"O.J. Simpson has the advantage of being known for something other than allegedly killing his wife and another person," said Bryan Stevenson, director of an Alabama resource center on capital punishment.

"When you're forced to see the defendant as something more than the criminal act, it becomes much harder to say, 'We're going to kill you.'"

Prosecutors still have not decided whether to seek the death penalty against Mr. Simpson, who is accused of murdering his ex-wife, Nicole Brown Simpson, and her friend, Ronald Goldman, on June 12.

He was ordered Friday to stand trial. Mr. Simpson, who has been jailed without bail since his arrest on June 17, pleaded innocent. His arraignment is scheduled for July 22.

A committee in the prosecutor's office, led by the assistant district attorney, Frank E. Sundstedt, will decide whether to seek capital punishment. Mr. Sundstedt has declined to discuss the case, but he noted that the death penalty is rarely imposed in domestic homicides.

Health-Care Tide Undermines Clinton Plan

By Karen Tumulty and Edwin Chen
Los Angeles Times Service

WASHINGTON — In what may turn out to be the ultimate irony of Bill Clinton's presidency, it appears that any health-care legislation that emerges from a yearlong battle on Capitol Hill will look more like former President George Bush's vision of reform than Mr. Clinton's.

Although Democratic leaders in the House and Senate may succeed in their struggle to reverse the political tide, momentum now appears to be building toward a consensus that would drastically scale back the role of government originally proposed by Mr. Clinton.

The evolving legislation appears likely to rely primarily on private businesses — rather than government — to bring health-care costs under control. It probably will fall considerably short of Mr. Clinton's goal of making sure that all Americans who are now uninsured would be able to obtain coverage. And it would do little or nothing to distribute the health-care burden more equitably by requiring employers to take part and by reducing rampant cost-shifting between groups of patients and providers.

This more modest approach, which puts most of its faith in reforming the insurance market and giving government subsidies to those who cannot afford coverage, has a familiar ring.

"There's no question we are heading back to the Bush health plan. Absolutely," said Richard I. Smith, the top health-care analyst at the Association of Private Pension and Welfare Plans, a consortium of large employers.

"Now that we've been starkly confronted with a dramatically different vision that arguably goes much too far, the clear trade-offs are apparent and the more modest approach looks better," he added.

Two House committees and two Senate panels have approved their own versions of health-care reform. Although the bills still must clear the House and Senate floors, some outlines of what could be the ultimate legislation are coming into focus.

Already gone are Mr. Clinton's huge, government-organized "alliances" through which most Americans would have bought their health coverage. Instead, the congressional committees have opted for voluntary cooperatives through which small businesses and individuals could pool their purchasing power.

It is also fairly clear that government will not have as much power over health-care costs as Mr. Clinton had proposed. Most of the committees weakened his provision to impose caps on increases in health-insurance premiums, and there will be intense pressure on the floors of the House and Senate to further dilute the provisions or discard them entirely.

The most important question that remains is whether Mr. Clinton can hold to his goal of guaranteeing coverage for every American. House and Senate leaders insist they will present legislation that does that, but no one has come up with a politically acceptable means of paying the bill.

Leon E. Panetta, the newly appointed White House chief of staff, reiterated Sunday that Mr. Clinton would fight for universal coverage in some form, which Mr. Panetta said must be financed by a so-called "employer mandate."

Mr. Clinton would require employers to pay 80 percent of their workers' health premium costs. Most outside analysts say they believe Congress is likely to follow the lead of the Senate Finance Committee, which abandoned the employer mandate in the face of enormous opposition from business.

Instead, the committee voted for a package of incentives and reforms that its sponsors predict will lead to the coverage of roughly 20 million of the more than 37 million Americans who now lack health insurance. Critics, however, say that projection is far too optimistic.

The winners in this monumental battle are likely to be employers — which is not a bad thing in the view of Paul Ellwood, a guru of the "managed competition" theory to which most in the health-care debate now say they subscribe.

"I think the employers have been the most powerful influence in shaping whatever positive directions the health system is taking," Mr. Ellwood said. Corporations have been at the forefront in embracing such cost-saving approaches as managed care and are increasingly hard-nosed in bargaining down the rates that hospitals and insurance companies can charge.

As a result, health-care costs are moderating without a government-led overhaul of the system.

Yet those benefits would largely miss the working poor and the middle-class uninsured, that is, most of those who now lack coverage.

Editors Defend Kidnap Blackout

New York Times Service

NEW YORK — News organizations throughout the world agreed not to report the kidnapping of an Associated Press reporter in Somalia during a 20-day captivity that ended Friday.

The reporter, Tina Susman, was released in good health.

Editors of large news organizations including The New York Times, The Washington Post and NBC News defended the decision. The were asked to withhold the information by The Associated Press.

Several editors said they had been persuaded that publicity would have put Ms. Susman in greater danger. The editors said they would have made the same decision if she had not been a reporter.

U.S. and France Settle AIDS Dispute

The Associated Press

WASHINGTON — American health officials acknowledged Monday that U.S. scientists used a French virus to develop an HIV test kit and agreed to give the Pasteur Institute in Paris more of the royalties.

The two governments have had a lingering dispute over how to divide the HIV test kit royalties, despite a 1987 settlement that was supposed to share them equally.

Instead, because more American than French test kits are sold each year, the United States has received $20 million in royalties to the Pasteur Institute's $14 million.

The new agreement, announced at a meeting of the French and American AIDS Foundation, is intended to equalize the royalties and "normalize the sometimes rocky relations" between the two countries' health establishments, said Dr. Harold Varmus, director of the U.S. National Institutes of Health. The meeting was at the institute's headquarters in Bethesda, Maryland.

The agreement also included an acknowledgment by the NIH and its parent, the Department of Health and Human Services, "that scientists at the NIH used a virus provided to them by [the Pasteur Institute] to invent the American HIV test kit," he said.

Each side will continue to keep the first 20 percent of royalties from sales of its kits. The rest will be pooled, with 50 percent going to the Pasteur Institute, 25 percent to the United States and 25 percent to the World AIDS Foundation. The old formula gave 25 percent to the World AIDS Foundation and 37.5 percent each to France and the United States.

Canada Weighs Plan to Sell Surveillance Planes to Beijing

Agence France-Presse

OTTAWA — A plan to sell aircraft furnished with sophisticated surveillance equipment to China is being studied by the Canadian government, a television network reported Monday.

Officials of the aircraft manufacturer, Canadair, and the Canadian government, which must approve the deal, were not available for comment.

The CTV network, citing government documents, said the proposed deal envisages the sale of a fleet of Challenger jet aircraft worth $200 million equipped with Israeli-made spy equipment.

CTV cited the minutes of a meeting at the Foreign Ministry during which, it said, the ministry's deputy director of foreign affairs for East Asia, Ted Lippman, was quoted as saying: "The main concern about this potential sale is the nature of the monitoring equipment to be installed."

CTV also said the minutes of that meeting showed unnamed diplomats as suggesting the plane might have to be exported to Israel as a way of circumventing Canadian export rules.

Canadair is a subsidiary of the Bombardier group of Montreal, which was part of a Canadian government-sponsored trade mission that visited China in March.

Away From Politics

● **In a takeoff on Spiderman**, three climbers scaled halfway up the 47-story Time-Life Building in New York City in what their banner said was a protest against Time magazine's use of chlorine-bleached paper. Two women and one man dangled on red ropes on the skyscraper. About 20 stories up, they unfurled a banner parodying a Time cover.

● **A teenager died when he slammed his golf club** against a bench and the broken shaft snapped back to pierce his pulmonary vein. Jeremy T. Brenno, 16, was playing golf with friends in Gloversville, New York, when he whacked the bench at the sixth tee with his No. 3 wood following a poor shot. He bled to death, according to the report by the Fulton County coroner.

● **Floodwaters in Georgia are threatening** a fertilizer plant loaded with toxic chemicals, and nearly a third of the residents of the town of Bainbridge had to leave their homes. The flood's death toll has reached 28. Two bodies were discovered in Americus, including a man whose tractor-trailer was washed off a road and a 3-year-old boy who was in a car with his mother that was swept into a creek. The mother's body was found earlier. *AP*

OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Russia Is the Key

Poland, like other countries in Eastern Europe, is unhappy that it is not being offered a firm timetable for full membership in NATO. Bill Clinton was reminded of that when he visited last week. The Partnership for Peace — established in NATO to allay the insecurity of Russia's neighbors while not antagonizing Russia — still leaves the East Europeans uneasy. But President Clinton was wise to defer his decision. To include countries such as Poland now invites the redrawing of lines in Europe and the start of a second cold war.

The Partnership for Peace is two things: an effort to integrate Russia into the rest of Europe, not leave it out in the cold, by developing the rudiments of collective security; and a hedge against failure, and the revival of Russian imperialism, by preparing to expand the alliance eastward.

In its collective security aspect, it will involve all the partners in joint military planning and training for peacekeeping in the region. At least that will get all the region's armies in the habit of working with their neighbors. Partners like Poland can also prepare to become allies by familiarizing themselves with the alliance's military requirements and ways of operating while remedying their own deficiencies.

But closer partnership poses a contradiction: to expand NATO would alienate Russia. That contradiction will come into play well before full membership becomes an issue, as East Europeans look to the West instead of to Russia to supply new arms. Perhaps the Russian military could be induced to engage in joint planning with the United States on common concerns like preventing nuclear and missile proliferation. Perhaps conversion will find other work for Russian arms suppliers. But these steps are unlikely to dissolve the contradiction.

One way out is to focus on changing the military cultures of all these countries, as NATO once did in Germany and Spain. That means going beyond the formalities of military partnership to impart democratic values like acceptance of civilian control. It also means keeping officers occupied professionally and out of politics. But Americans sympathetic to Eastern Europe are resisting funding for common military undertakings with Russia and pushing for premature alliance.

Military cooperation is a key to transforming Russia, which will make all of Europe more secure. Bolder leadership in the White House and the U.S. Congress will be needed, both to accomplish that delicate mission and to sell it to Russia's nervous neighbors.

— THE NEW YORK TIMES.

Betrayal in Nigeria

One year after Moshood Abiola apparently won Nigeria's democratic presidential election, only to watch as the military annulled the results, he is now facing charges that could send him to jail for life. His offense? He has decided to assume the office that was freely and fairly conveyed to him by the people. Nigerian military leaders, having never seen an election or popular civilian leader in 33 years of independence that they could stomach for very long, call Mr. Abiola's decision an act of treason. It is they, however, who have betrayed their country.

Each time a Nigerian military regime cuts down civilian rule, it is done with the promise of giving the people a new, improved and less fractious transition to democracy. True to form, the current crop of generals has been following that tired old script to the letter since snuffing out the latest experiment with democracy.

Two military regimes and one civilian puppet government have governed the country since June 1993, each promising another journey to the ballot box one day soon. Instead, what the soldiers have done is to take the people's rights and civil liberties from them. Their chosen leader is being held incommunicado, a judge's order to produce him in court is being ignored, human rights leaders, journalists and former legislators have been arrested and hassled for political reasons, and the elected National Assembly has been outlawed. Having the power, the military has made a colossal mess of things.

For all its wealth in oil, Nigeria is awash in red ink. Its creditors hold $33 billion in IOUs. Through gross mismanagement and corruption, the once agriculturally rich country suffers from 50 percent unemployment and can no longer feed itself. All the while, a man with no political base, General Sani Abacha, who has stood on the edges of power in recent years and who now openly parades as head of state, is taking a turn at enjoying the perquisites of power. He rides high now. But he will soon learn the lesson that other military strongmen have had to absorb, some the hard way: dissent cannot be crushed permanently. Nigeria's state of autocracy cannot survive.

But pro-democracy Nigerians should not have to march alone. During the recent White House Conference on Africa, Clinton administration officials went out of their way to commit themselves to stronger ties with Africa. The national security adviser, Anthony Lake, spoke of leaving no doubt in the minds of Africa's authoritarians that the United States insists on a rapid transition to democracy, a return to civilian rule and respect for human rights. That message must be forcefully registered in Nigeria.

— THE WASHINGTON POST.

Backward in Venezuela

Venezuela, in the grip of a severe financial crisis, is trying to control it with methods that are making it dangerously worse. Last week President Rafael Caldera suspended a long list of constitutional guarantees — a necessity, he claimed, to combat the dark forces attempting to destroy the country's currency. He imposed controls on prices and foreign exchange in response to rising inflation. After a succession of bank failures, he took over the whole banking system. The security forces have been carrying out raids on retailers accused of hoarding. The police have begun interrogating the regime's critics.

The crisis has been caused by a kind of bad policy that is very familiar in the continent's history. Most of Latin America, recognizing that nationalist populism is a mistake, is now moving toward open economies and relatively free markets. Venezuela is the exception. The reasons have a lot to do with the country's traditions, and a lot to do with oil. In the years of high oil prices Venezuela has been able to afford the old ways of running the country. But prices have been down for several years, and the damage, beginning with failed banks, is cumulative.

The previous president, Carlos Andrés Pérez, tried to lead his country through the process that economists call adjustment, meaning adjustment to the realities of the world economy. The first reaction was a huge riot in Caracas, the second an attempted military coup by part of the army. Last year Mr. Pérez was dumped out of office, ostensibly on grounds of corruption, and new elections were held. The winner was Mr. Caldera, an unreconstructed populist of the old school with a strong inclination toward a government-managed economy. The results have included, predictably, a sharp rise in inflation and a drop in the currency's exchange rate, leading to last week's explosion of intervention and police action.

It is the latest example of the Latin tragedy — a country rich in natural resources and educated people who live amid deep poverty and insecurity. Venezuela is now in the grip of political ideas that are deeply implicated in the poor economic performance of Latin America during the past two generations. Most Latins, reflecting on that record, have decided to move in another direction, but not, so far, Venezuela. Instead it seems to be increasing the zeal with which it embraces a doctrine which, as its neighbors can testify, leads nowhere but down. Being a rich country, it still has time to reconsider — but not unlimited time.

— THE WASHINGTON POST.

Other Comment

The Hive and the Honey Bear

American policy toward Eastern Europe is aimed at reconciling two seemingly incompatible goals: filling the security vacuum by gradually integrating Russia's former sphere of influence into the West, while cultivating improved relations with Moscow. In other words, holding up the shaky East European beehive while keeping the honey-hungry Russian bear contented. Hence the West's refusal to accept the East European states as full members of NATO, at least for the time being, and symbolic gestures such as inviting Boris Yeltsin to attend the Group of Seven summit meeting. Unfortunately, whether that policy succeeds will depend on what kind of government eventually comes to power in Russia, something over which the West has little real influence.

— Neue Zürcher Zeitung (Zurich).

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Directeur Adjoint de la Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Fax: Circ., 46.37.06.51; Adv., 46.37.52.12. Internet: IHT@eurokom.ie
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia: Rolf D. Krampuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-9222-1188. Fax: 852-9222-1190.
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. (069) 72 67 55. Fax: (069) 72 73 10
Pres. U.S.: Michael Coorey, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
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Japan Has Cause to Worry About Chinese Ambition

By Masashi Nishihara

TOKYO — China says it needs a peaceful environment to be strong and prosperous, yet Beijing seems to be pursuing contradictory policies. It wants to participate in multilateral economic and security arrangements in the Asia-Pacific region. At the same time, it is increasing its military power and trying to establish a militarily dominant position in Asia by taking advantage of the current situation when the United States and Russia have cut back their armed forces and defense budgets. One path is internationalist, the other nationalist.

China's self-confidence and assertiveness have increased in line with the rapid growth of its economy since market-oriented reforms were introduced in the late 1970s. Where is China heading? Will it become a hegemonic power, establishing a new regional order under its control by taking advantage of the upper hand it has over its neighbors in size and power?

Despite the fact that China and Japan have close ties in virtually all fields, their relationship remains essentially fragile. China is concerned about the rise of Japan as a political power which is now sending its troops overseas as part of United Nations peacekeeping operations and seeking a permanent seat in the UN Security Council. Meanwhile, Japan is becoming apprehensive about China's military buildup, particularly the naval modernization, its continued supply of missiles to areas of potential conflict, and its testing of nuclear weapons.

Beijing fears that if economic and trade tensions between Japan and the United States intensify, Tokyo may pursue a foreign and defense policy independent of Washington. China appears to consider Japan as a major source of threat in the early 21st century. Beijing has been cautious about supporting Japan's bid for a permanent seat in the Security Council, for it would weaken China's influence in regional and global politics. This suggests that there is potential for Chinese-Japanese rivalry.

Tokyo is trying to check the Chinese military buildup by holding out the possibility of reducing its aid to China and by engaging in bilateral security talks to increase the level of military transparency. Japanese aid to China is being more carefully disbursed than before, so that it will not be used for projects, such as ports and other major infrastructure development, that have military implications. Instead, more aid is being channeled to such areas as reducing the acid rain content of Chinese coal-fired power plants.

There has been a pattern of China's behavior toward its Asian neighbors in the last few years — one that seeks to secure a superior position over them. It can be seen in the asymmetrical levels of official visitors. Beijing tends to send lower-ranking government leaders to the region than the other East Asian states send to China. Beijing's strategic interest is to become strong and prosperous so as to assert its own interests in relations with other Asian states.

China appears to find it easier to handle Mongolia, North Korea, Vietnam, Cambodia, Laos and Burma than to handle other countries in the region. The former are economically and militarily much weaker than China. Beijing can intimidate them with economic and military sanctions as it has done in the past.

With wealthier, stronger or more distant East Asian nations, China cultivates cooperative links, hoping that these will serve to drive economic and political wedges between those countries and the United States. This does not mean that Beijing itself wants no cooperative relations with Washington. It is trying to build better relations with America. However, China also wants to minimize the possibility of having to compromise its own economic and security interests.

China's desire to secure a superior position over its neighbors has been reinforced by remarkable economic success and the absence of clear, united resistance from East Asian countries. As a result, Beijing's political self-confidence has been strengthened and it has behaved more assertively with its neighbors in territorial and other disputes.

The region does not need a strong China. The evolution of the Chinese navy from a defensive coastal force into an offensive blue-water fleet would be destabilizing because it would change the balance of power in the Asia-Pacific region. This will happen if the Chinese economy continues to expand rapidly.

However, China's economic future is uncertain. If the reform program should run into serious difficulty, the Chinese leadership would probably have to slow down the development of capabilities to project military power. This would be better for regional security.

China cannot expand its national power at the expense of its economic welfare. It must remain fully engaged in the economic and political affairs of the Asia-Pacific region to ensure that the Chinese economy remains strong. Thus the Chinese leaders will learn the importance of continuous constructive engagement in regional peace and security. An economic slowdown in China may help this learning process.

The writer, a research director at the National Institute for Defense Studies in Tokyo, contributed this comment to the International Herald Tribune. His views are personal and do not necessarily represent those of the Japan Defense Agency, with which he is affiliated.

To China From Germany, a Lesson in Unrepressed Democracy

By Robert Elegant

BERLIN — The visit to Germany last week by Li Peng, China's prime minister, has cast much light on prospects for democracy in the two countries, both notable for failed attempts at liberal representative rule that led to harsh dictatorship.

Despite a small but raucous right wing, Germany has put its Nazi past behind and clearly established a working democracy that will be sustained into the future. But China is further from democracy than it was even 60 years ago.

Mr. Li tested the democratic will of the Germans — and it emerged triumphant.

The man responsible for ordering the massacre of pro-democracy demonstrators in Beijing just over five years ago is evidently allergic to public demonstrations. He curtailed his original program on three occasions in Germany and finally left the country earlier than planned because he was exposed to public heckling and the threat of such heckling.

The Chinese prime minister thus proved himself to be what the Germans call a *Mimose Elefant*, someone who rides roughshod over others but is hypersensitive himself. And, as the German press reported with some satisfaction, he undoubtedly lost face by running away.

Not, of course, that anyone, even the most hardened politician, would be pleased by banners with slogans like these, in Chinese and German: "Overthrow the Chinese Communist Butcher!" and "Li Peng is a Mass Murderer."

The fact that the charges are completely accurate did not help make them more palatable. Neither did the fact that Li Peng crushed the Tiananmen protests with tanks and has subsequently conducted a witch-hunt against dissidents precisely to avoid seeing similar demonstrations in China.

The German government did nothing to halt the demonstrations. Officials stood aloof and neutral. Several even stressed that Germany does not engage in bloody suppression of dissent.

The temptation to quash the demonstrators must nonetheless have been strong. Just coming out of a recession, Germany is counting on large sales to China to accelerate its recovery.

The impressive group of China specialists in the German Foreign Ministry knows full well that Beijing does not separate politics and trade. To the contrary, it unabashedly uses its economic leverage as a potentially huge emerging market to attain political goals. It has done so, for example, with France, Britain and the Netherlands in the recent past.

It would not have been easy for an undoubtedly democratic Germany to silence the demonstrations against Mr. Li. It was nearly impossible to contemplate such suppression in the face of an aroused public. That virtual impossibility is, of course, the best proof that German democracy has come a long way from the past.

Li Peng and his advisers simply do not understand that the German government could do little or nothing to keep him from being insulted in public. No matter how many times the concept and practice of free expression are explained to those autocrats of the left, they cannot grasp the principle.

It was doubtless undignified of Mr. Li to flee to Romania, whose ruler was a student in Moscow when he was also studying there. It would, however, in Chinese eyes and particularly in Chinese Communist eyes, have been even more undignified for him to submit meekly to public insults.

Regardless of what happens to Mr. Li, for whom so many Chinese wish nothing but sorrow, democracy has clearly not begun to take root in China. Mr. Li and his comrades are busily pulling up any shoots of green that may appear. To them, such shoots are "poisonous weeds."

Regardless of what happens to the Communist regime, which is by no means secure in power, the prospects for democracy in China are poor. Nor will increasing economic liberalization necessarily bring about political liberalism, although it will lessen the burden of oppression that every Chinese still carries today.

There is no tradition of popular sovereignty in China. In a country of 1.2 billion people there is, however, traditional terror of *luan*, which translates best as "primeval chaos." Given the choice, most Chinese would opt for a kinder, gentler government. Fearing luan, they would not necessarily want a democratic system but rather a strong government.

Mr. Li did not behave badly by his lights. He signed agreements with German companies for technical assistance and equipment worth an estimated $1.5 billion. Nor did he storm at the protesters. "At least," commented a Berlin teacher wryly, "he didn't ask us to send tanks to shoot the demonstrators."

The writer, a novelist and former Asia correspondent, is a fellow at the Wissenschaftskolleg zu Berlin (Institute of Advanced Studies in Berlin). He contributed this comment to the International Herald Tribune.

Let's Be Clear: Not One Europe but a New West and a New East

By Christoph Bertram

HAMBURG — Russia signed two agreements last month intended to cement its new relationship with the West: the "Partnership for Peace" with NATO and the "Partnership and Cooperation Agreement" with the European Union. Now it has taken part in the Group of Seven meeting of leading industrial nations at Naples.

Russian and Western leaders have hailed these events, once more, as the end of Russia's long isolation from the democratic West. And yet Europe is drifting apart, and all the wonderful warm words of partnership merely expose the new divide.

Russia's foreign minister, Andrei Kozyrev, stated the problem succinctly when he told Itar-Tass, "It is more difficult for an elephant like Russia to get through the door than for a small poodle."

Russia, in fact, does not fit into either of the Western institutions that have any substance of power today, NATO and the European Union. Both would collapse under the weight of the elephant. If the Group of Seven or Eight can afford Moscow's participation it is because, contrary to public myth, it is a debating club, not a decision-making body.

Russia itself has realized that there is no room for it in either of the organizations in which the West makes up its collective mind.

The basic trends are becoming visible and can no longer be blurred by convenient ambiguities.

In the run-up to the various Partnership signing ceremonies, Boris Yeltsin no longer pushed for Russian membership but instead tried to subject these institutions to a European superstructure, the Conference on Security and Cooperation in Europe, in which Moscow would have a blocking vote.

The Russians will continue to try, but their heart is no longer in it. In Brussels, Mr. Kozyrev accepted that sooner rather than later some of Russia's former Warsaw Pact allies would join the Western security club. He pleaded only that the extension proceed with care, since the Russian population needed convincing that the alliance was not planning "a triumphant march eastward."

So it is time to face the facts. There will be no overarching, all-encompassing security system in Europe. NATO will not melt into a CSCE spanning from Vladivostok to Vancouver.

Instead, two separate groups are emerging.

The European Union and NATO are gradually incorporating Eastern Europe, including the Baltic states. At the same time, a cluster of former Soviet republics is taking shape around Russia. The central challenge of European security is how to make sure that the dividing line between the two groupings will not become, once again, a line of confrontation.

By implying that any differences can be overcome by vague partnership rhetoric, the West is fooling itself as well as Russia. Afraid to admit the truth, Western governments will cling to ambiguity. But ambiguity has ceased to be creative; it has become counterproductive. By pretending that somehow Russia can still become a *full* member of the Western club, the West leaves both Russia and the East European democracies in the dark about their future status in Europe.

The proper response to Russia's inability to fit into any of the existing institutions is not to make believe that somehow it can be squeezed in but rather to create a new one, specifically designed to coordinate policies and preempt crises between the new West and the new East. This would have to consist of much more than the biannual meetings envisaged by the Russian-EU agreement or the vaporous consultation pledge given by NATO in the Partnership for Peace.

It should consist of a formal structure, the more formal the better, between NATO and Russia, with a secretariat, permanent representatives, hot lines and even parliamentary bodies — everything that can ensure day-to-day dialogue and consultation. It would give neither side a veto over what the other one wants to do, but it would translate NATO's apt formula "No veto, no surprise" into credible practice.

Whoever the future leaders of Russia may be, it is important to establish now, while the present team still hold power in Moscow, habits that can survive them.

To give up the dream of "one Europe whole and free" does not mean to forgo the right to hold Russia to established rules within its sphere of influence. On the contrary. But Russia can be held to these rules only if the West itself is serious about them.

The current practice of warning Russia not to intervene in the "near abroad" while at the same time turning down requests for sending monitoring troops to the many trouble spots in the region is a dismal example of Western inconsistency.

The West's authority in the new European security setup will depend not on its sermons but on its deeds. Preaching without following through signals to Moscow that the West really cares neither for Russia nor for how Russia conducts itself in what was once the Soviet Union.

When the walls came down in Europe five years ago, the way ahead was obscure. It was wise then for the West to temporize. Today the basic trends are becoming visible, and they can no longer be camouflaged by convenient ambiguities.

There is now a historic chance and need to build the future of European security on a sound basis. That takes realism as well as vision, clarity of purpose as well as a sense of responsibility. Too little of these qualities, unfortunately, is in evidence in Western chancelleries today.

The writer is diplomatic correspondent of the German newspaper Die Zeit. He contributed this comment to The Washington Post.

The Voices of America Are Disgusted

By Michael Harrison

LONGMEADOW, Massachusetts — President Bill Clinton has discovered that talk radio is a two-edged sword.

In the 1992 campaign, it became obvious that Mr. Clinton had a flair for the format. He scored points by going on programs like the New York-based "Imus in the Morning" and coming across as an affable bubba. But since then he has learned that talk-show hosts (and their callers) can play hardball, and he doesn't like it a bit.

The president was anything but affable in an appearance on a St. Louis talk show two weeks ago when the hosts asked him some tough questions about his and his staff's ethics. All but shouting, he denounced the questions and accused conservative talk-show hosts such as Rush Limbaugh of keeping up a "constant, unremitting drumbeat of cynicism."

That same week, in an interview in my magazine, Mr. Clinton's adviser George Stephanopoulos blasted talk radio's "tear it down" mentality and warned that the administration might move to revive the fairness doctrine, the old federal rule that broadcasters must cover all points of view on an issue.

Mr. Stephanopoulos knows very well that the doctrine, which Congress repealed seven years ago, would stifle talk shows. Many stations would cancel a program like Mr. Limbaugh's rather than take up air time with countervailing liberal views.

Mr. Clinton and other critics of talk radio — including the mainstream press, whose accounts are often tinged with skepticism and outright hostility — are missing two basic points.

First, talk radio's nature is to be freewheeling, even at times to the point of inaccuracy. It isn't as if such offenses went unpunished. Mr. Limbaugh, in particular, is coming under the widespread criticism that comes with a position as powerful as his. That kind of debate is what the First Amendment is all about.

Second, even if the next president of the United States is a squeaky clean, God-fearing conservative Republican, you can be sure that he or she will continue to take the bashing being endured by Mr. Clinton. That is because most of the sentiment on talk radio is not so much conservative as independent.

We are hearing the infant voice of a movement that is disgusted with the kind of president the system continues to serve up.

The voice of talk radio is disgusted with excessive taxation and intrusion into personal and business life by the bureaucratic federal government. It wants to put an end to excessive government spending and arrogant ruling-class aristocracy. It is sickened by political dishonesty and corruption.

It has had it with welfare fraud and the invasion of illegal immigration eating up tax dollars. It is fed up with the coddling of criminals, the distorted justice system, the lockstep sameness of the sellout media and the dumbing of America's children. It is no longer intimidated by the intolerance of political correctness.

It feels that an insidious war is being waged against the average hardworking, law-abiding American citizen, draining the middle class of its wealth and lifeblood.

Unreasonable? Naive? Half-baked? Perhaps. But very, very real, and very much here to stay.

Scolding my colleagues in St. Louis, Mr. Clinton said: "I'm going to be aggressive from here on in. I'm going to tell what I know the truth to be." Is that a threat or a promise?

The writer, host of a nationally syndicated talk show, is editor of Talkers, a magazine about talk radio. He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: Chicago Prepares

NEW YORK — United States troops continue to arrive in Chicago. Three thousand infantry, cavalry and artillery are now on duty there. The entire National Guard of Illinois is also on duty in or near the city. In anticipation that the excitement might follow the arrest of the strike leader, and that there might be possible disorder consequent upon turning loose the Trades' Union men, precautions have been taken by the military in various sections of Chicago.

1919: Blockade Lifted

PARIS — The Supreme Council decided yesterday afternoon [July 11] that the German ratification of the Treaty was valid, and that consequently the blockade shall be lifted to-day. So far as France is concerned, however, this measure cannot become effective until a decree has been published in the "Journal Officiel" abrogating all previous decrees on the German blockade. To-day, the Council will examine the question of raising the blockade of Russia.

1944: De Gaulle Backed

WASHINGTON — [From our New York edition:] President Roosevelt followed up his conferences with General Charles de Gaulle today [July 11] by announcing that the provisional government is being recognized as the de-facto authority in liberated France. The agreement grants the de Gaulle group just about everything except outright recognition as a government. Using the British-French agreement as a basis, it will leave with General Dwight D. Eisenhower the final authority for determination of when and where de Gaulle civil government is to be resumed in France.

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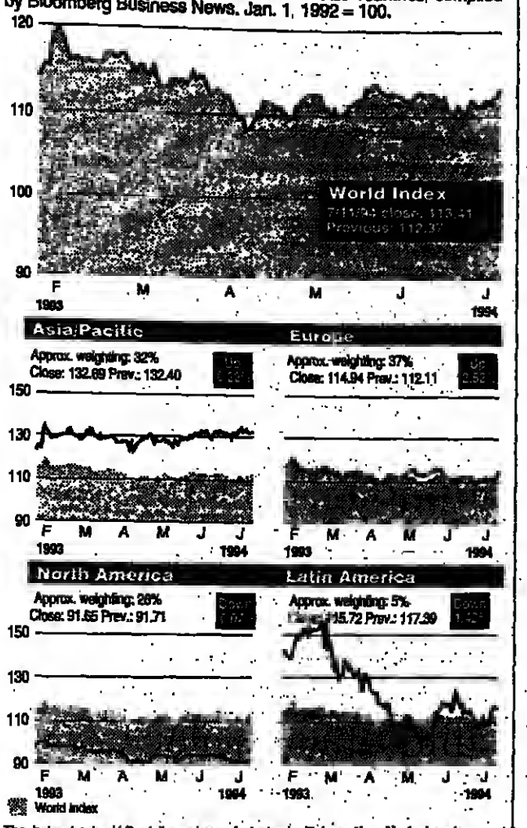
THE TRIB INDEX: 113.41

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Mon. close	Prev. close	% change		Mon. close	Prev. close	% change
Energy	111.26	107.37	+3.64	Capital Goods	113.18	112.47	+0.63
Utilities	121.27	120.17	+0.92	Raw Materials	125.48	124.29	+0.97
Finance	118.76	118.30	+0.39	Consumer Goods	99.78	98.92	+0.87
Services	118.98	118.34	+0.55	Miscellaneous	124.21	122.30	+1.56

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Eli Lilly To Pay $4 Billion For PCS

Compiled by Our Staff From Dispatches

INDIANAPOLIS — Eli Lilly & Co. said Monday it would buy PCS Health Systems Inc. from McKesson Corp. for $4 billion in cash.

The move by Lilly, one of the largest U.S. pharmaceutical companies, is a step in the rapid consolidation of the industries that make and deliver drugs to consumers.

PCS, known as a pharmacy benefit management company, handles prescription drug benefits for about 50 million people. Companies like PCS are hired by corporations and health-care providers to process prescription claims, negotiate discounts with drug companies and monitor how doctors prescribe medicine.

Randall Tobias, the chairman of Lilly, said the deal would be Lilly'a largest acquisition to date.

The agreement calls for McKesson shareholders to receive $3.4 billion cash, or $76 a share, for their McKessoo stock. The remaining $600 million will be pumped into a new McKesson company that will include all assets except PCS.

Current McKesson shareholders will be able to exchange each of the current shares for a share in the new company.

The new McKesson would consist of McKesson's wholesale drug operation, Millbrook Distribution Services, McKesson Water Products and a 57 percent stake in Armor All Products Corp.

McKesson investors greeted the deal by sending the shares up $24.75, to $98, on the New York Stock Exchange.

Lilly shares closed down $7.375 at $50. The two topped the NYSE's most-active list.

Lilly plans to pay for the purchase by issuing debt and raising money from previously disclosed plans to sell its medical devices and tests unit.

(A.P., Bloomberg)

QVC, CBS and Disney?

By Geraldine Fabrikant with Bernard Weinraub
New York Times Service

NEW YORK — When the boards of CBS Inc. and QVC Network Inc. meet Tuesday and Wednesday to vote on a merger of the two companies, Wall Street and Hollywood executives say, the Walt Disney Co. may emerge as a wild card in the deal.

Ever since the merger announcement oearly two weeks ago — and even before — many people in the television industry have been looking at Disney as a logical fit with a broadcast network.

CBS has been at the center of speculation about Disney because the network has been in play, and because its lack of a cable television connection and its loss of professional football to Fox have been seen as major liabilides.

"People think Disney might jump in because Disney has longed for a network outlet for a long time and has the expertise to manage a network," said Harold Vogel, a media analyst who follows Disney for Merrill Lynch & Co. "This is a relatively easy way to get into both cable and oetwork."

Why Disney?

Even though it may be better known for its theme parks and movies, Disney is a leading producer of network programming, including ABC's "Home Improvement," the most popular series on American television this season. But like other independent programmers, Disney may soon find itself at a disadvantage because federal rules are rapidly changing to let the oetworks produce and distribute more of the programs they broadcast.

Rumors have been circulating in the entertainment industry that Disney may be about to strike some sort of oetwork partnership. Executives at CBS and QVC have denied the talk, and Disney executives have refused to comment on whether the company is planning a strategic move into broadcasting.

But many in the industry think there is a strong rationale for an alliance between Disney and a oetwork.

Getting shows onto the oetworks is a dicey business for producers, and it is getting harder. The networks, once denied the right to produce and syndicate their own programs, have in recent years been unshackled by the Federal Communications Commission. By November 1995, they will be able not only to produce programs but also to sell rerun rights in the syndication market in the United States.

The networks are also increasing in-house production, which could make it more difficult for companies such as Disney to get their own shows on air.

■ Big-Time Lobbying

Disney spent more than $444,000 oo lobbying to win a $163 million subsidy for its proposed theme park from the Virginia Legislature. According to disclosure forms released Friday, Disney paid out as much money for lobbying in Richmond in the last year as the next five biggest spenders combined. The company spent four times as much as the main opponent of its park, the Piedmont Environmental Council, whose spending totaled about $106,000.

Another Round Of Commodity Price Jumps

Coffee Climbs On Brazil Frost

Reuters

LONDON — Coffee prices surged on Monday to their highest level in eight and a half years after frosts threatened to wipe out half of Brazil's crop, the world's largest.

But producers, iostead of rejoicing, were worried that consumers would balk at paying more when retail prices rise and would switch to other drinks.

News that the second frost in two weeks had hit Brazil's major coffee-growing areas sent prices on the Londoo futures market at one stage more than $900 a ton higher, to $4,000 for delivery in September, the highest quote since early 1986.

"I am oaturally concerned about this news and the impact it will have on the market," said

See COFFEE, Page 8

Aluminum Soars To New Highs

Reuters

LONDON — The price of aluminum, one of world's most widely used metals, jumped to fresh highs Monday with traders convinced that growing demand was finally cutting into a mountain of stock.

Prices on the London Metal Exchange rose $15 a ton to $1,549 for delivery in three months, the highest price since early 1991. Traders said $1,600 was the next target. Spot aluminum rose to $1,523.50 a ton from $1,512.

Profit plummets 50 percent at Alcoa of Australia. Page 11.

Prices now stand 50 percent above last autumn's eight-year lows, when a recession-hit market had more metal than it could use. Extra metal was also coming from Russia, which, desperate for foreign exchange and faced with the evaporation of domestic demand, exported hundreds of thousands of tons.

But the world's major producers earlier this year agreed to cut back their output to try to help prices which, in many cases, had fallen below the cost of production.

"It is all coming good at the moment — stocks are down, people oeed metal, and they can't get hold of it where they want it," one dealer said.

The Ioternatiooal Primary Aluminium Institute said total stocks in May fell 64,000 tons, to 3.58 million, down 3.7 percent from its February peak.

A clear sign of the growing demand for aluminum, analysts say, is rising prices for delivery of the metal in the oear-term, which in some cases are oow higher than prices for more distant delivery dates.

Kim's Death Puts Markets on Edge

By Steven Brull
International Herald Tribune

SEOUL — Rumors of North Korean leader Kim Il Sung's demise have swept through the South Korean bourse dozens of times in the past decade, invariably sending the index higher on the view that reunification of the peninsula would be a plus for South Korea's economy.

But on Monday morning, in the stock market's first reaction to the news that Mr. Kim had died last week, shares plummeted. The consensus now is that political turmoil north of the border could pose major risks for South Korea, including a sudden reuoifieation that would deal an economic blow like the ooe borne by Germany after its reunification.

Still, after an initial plunge of more than 2 percent, the Korea Composite Stock Price Index steadily recovered and closed Monday's session just 7.54 points lower, at 948.84, in active trading.

The modest decline underscored growing confidence among South Korean investors that North Korea would make a smooth transfer of power, most likely to Kim Jong Il, the eldest son of Mr. Kim.

The market's reaction also reflected the timing of the news of Kim Il Sung's death on Friday, which was announced here on Saturday, just after the stock market had gained 7.42 points in a half-day session. During the interval, there were indications that Kim Jong Il was consolidating power and that Seoul's response was swift and collected.

"It was very well-timed," said James Oborne, head of research at W. I. Carr in Seoul. "Kim Il Sung must have had the interests of the stock market in mind."

The market's tooe also underscored the momentum of a rally, which has made Seoul's bourse among the most dynamie in Asia. Over the past two years, the main index has more than doubled, and many think it could rise 25 percent more before the eod of this year.

Powering the advance is a South Korean economy that has regained its famed vigor: gross national product jumped 8.8 percent in the first quarter — the highest rate since 1991. Many eeonomists expeet growth for the full year to reach 8 percent, a sharp improvement from last year's 5.6 percent.

The strong yen is the biggest reason for the surge. Iodustries in which South Korea competes head-to-head against Japan — ootably electronics and electrical machinery, cars and ships, steel and petrochemicals — suddenly have become very price competitive. Exports in

See KOREA, Page 9

Thinking Ahead /Commentary

WTO Will Be a Benevolent Patrolman

By Reginald Dale
International Herald Tribune

WASHINGTON — International conspiracy theorists in Washington are putting about a new scare: Secret conclaves of bureaucrats, many from developing countries hostile to America, are about to take over the world trading system. Delegates from places like Burma and Cuba will impose their will on the United States, preventing it from enacting its own laws to protect the environment and the health of its population — even from raising its own taxes.

This sinister bid for world governance will be launched by the new World Trade Organization that is to start operations next year, probably in Geneva, as successor to the General Agreement on Tariffs and Trade.

Equally fervently, supporters of the WTO, including the U.S. administration, argue that it will not diminish the country's sovereignty over its own affairs by one iota.

Both are wrong.

The WTO is not the monster portrayed by its opponents but, like many other international treaties and agreements, it does impinge on U.S. sovereignty. The point is that it is well worthwhile to sacrifice a little autonomy to gain the WTO's benefits, which will be considerable.

It is difficult, however, for the WTO's supporters to make this argument in Washington, where any perceived loss of national sovereignty arouses strong opposition — particularly in a U.S. Congress anxious to guard its right to conduct trade policy. So, as the administration tries to persuade Congress to ratify the latest world trade agreement, which sets up the WTO, it is having to be a little deceitful on the sovereignty issue.

But the WTO's opponents are being deceitful too, disingenuously arguing the organization could actually be rejected without upsetting the rest of the agreement.

The United States can only gain as more countries are required to play by the same rules.

That is simply wrong. Washington's acceptance of the WTO was an essential part of the final package deal struck in Geneva last December and it cannot be reopened.

Nor is it true the United States is going to be pushed around by the likes of Cuba and Burma. The way the WTO makes decisions will not be all that much different from GATT, and the United States, as the world's largest economy, is certainly going to maintain its ample weight.

What is true, on the other hand, is that all nations are losing sovereignty as the world economy goes global. Even the United States, for instance, has little control over its currency. As traditiooal economic barriers fall, policy instruments that used to be of solely domestie concern can be used to impede trade.

U.S. rules on automobile fuel efficiency, for example, are legitimate grounds for complaint if they discriminate against imported cars that are engineered to a different standard, as the European Union is currently alleging in GATT.

It will certainly be possible to challenge many such practices in the WTO — which does oot mean, of course, that the WTO will automatically uphold the challenge. If it does not blindly uphold such challenges, it will no longer be possible for Washington — or anyone else, for that matter — to veto the outcome. That is one of the real transfers of power to the new organization. Another is that U.S. use of unilateral trade action, and retaliation, will be much restricted.

The point is that these are all very good things. It is good for everyone, including the United States, if Congress's protectionist tendencies, and its fondness for unilateral bullying, are restrained. In fact, it was the United States, which brings the most trade complaints, that quite rightly wanted to end the national veto over GATT rulings.

The United States, arguably the world's most open economy, can only gain as more countries are required to play by the same rules. It should be happy to have a stronger policeman to enforce those rules, even if it has to obey them itself.

CURRENCY & INTEREST RATES

Cross Rates

July 11

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.7205	2.708	1.1219	0.3264	0.1128*	—	5.435*	1.3215	1.735*	1.3455	1.3890*
Brussels	31.1975	50.00	20.34	5.916	2.0735*	18.1075	—	24.0375	31.458	24.38	24.19*
Frankfurt	1.5345	2.4145	—	0.291	0.1005*	0.8914	4.9425*	1.1880	1.5725*	1.1735	1.2116*
London (a)	1.5645	—	2.4042	0.3465	0.2384	2.0472	49.83	2.0296	142.54	2.1547	198.46
Madrid	128.149	199.79	82.463	24.051	8.264*	73.682	408.12	98.176	118.358*	97.342	—
Milan	1,545.99	2,410.60	995.09	289.91	—	887.70	4,920	1,182.60	1,527.4	1,171.80	1,202.5
New York (b)	—	1.572 a	1.538	0.3225	1.126.00	1.7132	31.55	1.209	97.725	1.3898	126.18
Paris	5.329	8.387	3.437	—	0.3458*	3.0635	81.444	4.082	5.445*	3.3771	4.1832*
Tokyo	98.39	153.85	63.34	18.42	6.634	56.46	3,061.4	75.38	—	70.87	7.7488
Toronto	1.3873	2.1805	0.897	0.2647	0.0971*	0.8009	0.009*	1.0753	1.4104*	—	1.10*
Zurich	1.2977	2.035	0.8422	0.2451	0.0848*	0.7513	4.183*	—	1.3337*	0.9261	1.0194*
1 ECU	1.2269	0.7928	1.7161	6.3855	1,984.64	2.1497	39.5346	1.6133	138.946	1.719	159.21
1 SDR	1.4463	0.9404	2.2221	7.814	2,259.97	2.5387	47.8859	1.9134	144.139	2.0229	187.723

Closings in Amsterdam, London and Zurich, fixings in other centers: New York and Toronto rates at 3 p.m.

*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9901	Greek drac.	234.16	Mex. peso	3.395	S. Afr. rand	3.4545
Austral. $	1.3742	Hong Kong $	7.7373	N. Zealand $	1.4404	S. Kor. won	805.6
Austr. schil.	10.90	Hung. forint	101.07	Norw. krone	6.8035	Swed. krona	7.482
Chinese yuan	8.63	Indian rupee	31.35	Phil. peso	26.16	Taiwan $	26.73
Czech koruna	28.23	Indo. rupiah	2170.04	Polish zloty	22525	Thai baht	25.02
Danish krone	6.896	Irish $	0.7497	Port. escudo	159.53	Turkish lira	31041.
Egypt. pound	3.3545	Israeli shek.	3.032	Russ. ruble	2012.00	UAE dirham	3.6727
Fin. markka	5.125	Kuwaiti dinar	0.2973	Saudi riyal	3.747	Venez. bolIv.	183.00
		Malay. ring.	2.5938	Sing. $	1.514		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5584	1.5581	1.5579	Canadian dollar	1.3926	1.3944	1.3964
Deutsche mark	1.5504	1.5502	1.5499	Japanese yen	97.84	97.43	97.17
Swiss franc	1.3050	1.3058	1.3067				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits

July 11

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 month	4½-4⅜	4 9/16-4 7/16	4 ⅛-4 ⅛	4 ⅝-5 ⅝	5¼-5 ⅛	2-2⅛	5⅞-6
2 months	4 9/16-4 7/16	4 9/16-4 7/16	4 ⅛-4 ⅛	5 ⅛-5 ⅜	5⅛-5 ⅛	2 1/16-2 ⅛	5 ⅞-6 ⅛
3 months	5¼-5⅛	4⅞-4 ⅞	4⅛-4⅞	5½-5¾	5¼-6	2 1/16-2 ⅛	6⅛-6¼
1 year	5 ⅞-5 ⅞	5 ⅞-5⅞	4½-4⅞	6¼-6⅜	6-6¼	2 1/16-2 ⅛	6⅜-6½

Sources: Reuters, Lloyds Bank.

Rates available to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev.	Britain		
Discount rate	3½	3½	Bank base rate	5¼	5¼
Prime rate	7¼	7¼	Call money	4⅞	4⅞
Federal funds	4¼	4¼	1-month interbank	5	5⅛
3-month CDs	4.30	4.20	3-month interbank	5¼	5¼
Comm. paper 180 days	4.90	5.20	6-month interbank	5 ⅝	5 ⅝
3-month Treasury bill	4.42	4.34	10-year Gilt	8.51	8.62
1-year Treasury bill	5.28	5.24	**France**		
2-year Treasury note	6.26	6.22	Intervention rate	5.10	5.10
5-year Treasury note	7.07	7.04	Call money	5⅝	5⅝
7-year Treasury note	7.12	7.06	1-month interbank	5⅛	5 ⅛
10-year Treasury note	7.46	7.42	3-month interbank	5 ⅝	5 ⅝
30-year Treasury bond	7.72	7.69	6-month interbank	5⅞	5 ⅞
Merrill Lynch 30-day Ready asset	3.66	3.66	10-year OAT	7.49	7.52
Japan					
Discount rate	1¾	1¾			
Call money	2	2			
1-month interbank	2	2			
3-month interbank	2 ⅛	2			
6-month interbank	2 ⅛	2 ⅛			
10-year Government bond	4.40	4.36			
Germany					
Lombard rate	6.00	6.00			
Call money	5.10	4.95			
2-month interbank	4.95	4.95			
3-month interbank	4.95	4.95			
6-month interbank	5.00	5.00			
10-year Bund	6.90	6.95			

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Greenwell Montagu, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	384.35	384.80	+2.50
London	384.40	385.75	+2.60
New York	385.70	388.10	+3.00

U.S. dollars per ounce. London official fixings: Zurich and New York opening and closing prices; New York Comex (August).

Source: Reuters.

MARKET DIARY

Bonds and Dollar Weigh on Shares

Bloomberg Business News

NEW YORK — U.S. stocks fell for the first time in three days, tracking losses in bonds and the dollar, as signs of rising interest rates overwhelmed optimism about second-quarter earnings.

A slump in drug shares, led by Eli Lilly & Co., paced the stock market's retreat.

"Stocks and bonds are running in tandem," said Robert von Pentz, chief investment officer at Riggs Investment Management Corp. "That probably means the ability for earnings to impact the direction of the stock market is far more muted than the ability of interest rates."

U.S. Stocks

As interest rates rise, cash equivalents such as Treasury bills become more competitive with stocks. Higher rates also raise corporate borrowing costs and diminish earnings.

The Dow Jones industrial average, which fell as much as 28.49 points, pared its losses to close down 6.15 points, at 3,702.99.

Eleven stocks fell for every nine that rose on the New York Stock Exchange. Trading was moderate, with about 222.29 million shares changing hands on the Big Board, down from 233.62 million on Friday.

Stocks fell as the yield on the Treasury's benchmark 30-year bond jumped five basis points, to 7.75 percent, and the dollar sank. As long as the dollar is weakening, foreign investors are likely to avoid U.S. bonds for fear of currency losses.

Bonds, already unnerved by the stronger-than-expected employment figures on Friday, fell amid nervousness about this week's reports on wholesale prices, consumer prices and retail sales that might signal more inflation and higher interest rates.

Semiconductor stocks rose for a second day amid expectations that an industry report set for release soon would show that new chip orders outstripped product shipments in June.

Asante Technologies Inc. closed down 2¾ at 5, setting a 52-week low of 4½, after the maker of computer-networking accessories posted a third-quarter loss of 3 cents a share, compared with earnings of six cents a year ago.

Bausch & Lomb fell 1¼ to 35⅝. The maker of contact lenses said earnings for the second quarter fell to 53 cents a share from 55 cents a year ago.

DOLLAR: *No Bottom in Sight*

Continued from Page 1

than one analyst recalled the dramatic turn engineered by Paul A. Volcker in 1979 when as Fed chairman he deliberately shocked markets into recognizing he would let interest rates go sky high to end inflation.

"Things are nowhere near that bad, but the first law of holes when you get into one is to stop digging," said Geoffrey Bell, who runs his own New York consulting firm and is executive secretary of the Group of 30, a bankers' study group.

Foreign Exchange

"The U.S. now is competing for capital with other nations. The Fed has to stop these mealy-mouthed quarter-point moves and get rates up," he said, adding that only then would interest in the Treasury bond market be rekindled.

The price of the benchmark 30-year Treasury bond fell Monday, losing 10/32 point, to 83. That raised its yield to 7.72 percent from 7.69 percent Friday.

Nicholas Sargen, of Prudential Global Fixed Income Advisors, said that in the past few years, he has led pension fund clients into foreign bonds for higher yields but kept about one-third of his clients' money in dollars. Now only about 15 percent to 20 percent of his recommended portfolio is in dollars.

What would get him back into dollar bonds?

"The Fed has got to get ahead of market expectations, and then we'll discuss it," he said. "The administration also has to have a dollar policy. Right now it simply seems to be open warfare on exchange-rate policy."

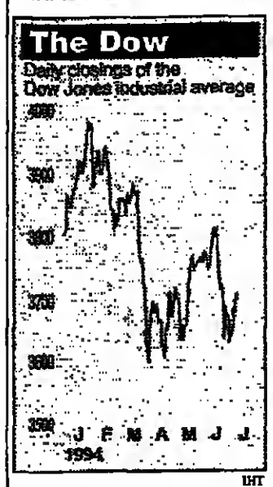
Mr. Clinton tried repeatedly at Naples to dispel the impression his administration wanted a cheaper dollar as a weapon against Japan in trade negotiations and he repeated the reassurance in Bonn on Monday.

One Wall Street bond guru sniffed at such statements. He said "I think 'sell' " every time he hears Trade Representative Mickey Kantor, Commerce Secretary Ronald H. Brown or Robert Reich, the labor secretary, speak.

Via Associated Press July 11

The Dow

Daily closings of the Dow Jones industrial average



IHT

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Lilly	44714	53⅛	49⅝	50	—7⅛
McKes	36121	99	95	95	+24¾
IBM	26466	57⅜	55⅝	55½	—1¼
Diagnst	23291	19¾	17¾	19¼	+1½
Ford s	21481	30⅝	30¼	30⅜	—⅛
PhilMr	20877	53⅞	53¼	53⅞	+⅜
PlacerD	19114	20½	20⅛	20½	+½
LAC g	19046	9½	9¼	9⅜	—⅛
TelMex	18896	56¼	55¼	55⅝	—½
McDnld s	18341	29⅛	28⅝	28¾	—1
Merck	18018	29½	29⅛	29⅜	—⅛
StorTch	17482	37¼	35½	36⅝	+1¼
WMX Tc	17278	27½	26⅝	26¾	—⅝
SaraLee	16697	19⅞	19⅜	19¾	—⅜
PepsiC	15765	30⅞	30⅜	30⅝	—

NASDAQ Most Actives

	Vol.	High	Low	Last	Chg.
Micsft s	52731	49⅝	47¾	48⅜	—1¼
Intel	36647	60⅛	58 15/16	60 9/16	+9/16
NewbNk	30402	39¼	37½	38⅝	—2½
Methanx	29522	13¼	11⅝	12⅜	—⅞
Cisco s	29521	23⅛	22⅝	23⅛	+⅜
Atmel s	21372	28⅛	26½	28⅛	+1⅛
Oracle s	19410	38¼	37⅛	38	+1/16
AddWt s	16414	47½	46	47½	+1¼
SunMic	15927	20¾	20⅛	20¾	+¼
DellCptr	15632	29	27¾	28⅝	+1 3/16
3Com	15288	50¼	48½	50⅛	—1¼
Seagate	14907	22⅝	21½	22⅛	+1
Novell	13813	16⅛	15⅝	14	—½
Wellfl s	13354	20¼	18¾	19⅛	—⅜
MCI	12669	22¼	22	22⅛	—½

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
EchoBay	12845	11¼	10⅝	11	+⅛
RoyalO g	11945	4 13/16	4⅛	4½	+⅛
TopSrce	4151	4	3⅞	3⅞	—⅛
CheySft s	3852	8⅝	8¼	8⅝	—
XCL Ltd	3724	1⅜	1¼	1⅜	+1/16
IvaxCp	3174	14⅝	15½	15⅛	—⅜
PegGld	2427	14	15⅝	14	—½
NVR	2284	4⅝	4	4	—⅛
AExpl	1677	1⅜	1¼	1⅜	+1/16
ViacB	1656	21⅞	31¼	31¼	—⅜

Market Sales

	Today 4:00	Prev. cons.
NYSE	222.28	195.41
Amex	12.80	13.77
Nasdaq	201.29	200.094
In millions.		

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	3718.53	3718.20	3680.32	3702.99	—6.15
Trans	1602.52	1604.07	1578.91	1583.10	—19.40
Util	181.32	181.58	179.87	180.86	—0.86
Comp	1292.36	1292.54	1277.63	1283.77	—7.21

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	524.35	518.37	521.84	—1.45
Transp.	387.88	381.22	382.48	—4.89
Utilities	154.83	153.21	154.04	—0.46
Finance	44.67	44.19	44.43	—0.19
SP 500	450.25	445.27	448.86	—1.49
SP 100	414.84	412.03	415.22	—0.79

NYSE Indexes

	High	Low	Last	Chg.
Composite	248.43	246.14	247.50	—0.47
Industrials	306.25	303.35	305.23	—0.50
Transp.	245.08	241.28	242.19	—2.73
Utility	204.57	202.70	203.70	—0.47
Finance	210.36	208.49	209.36	—0.86

NASDAQ Indexes

	High	Low	Last	Chg.
Composite	709.31	703.14	706.39	—3.07
Industrials	718.12	712.90	714.59	—0.46
Banks	765.22	761.98	761.98	—2.45
Insurance	889.94	884.27	887.60	—1.73
Finance	932.73	927.31	927.98	—4.95
Transp.	691.52	688.32	691.41	—0.08

AMEX Stock Index

High	Low	Last	Chg.
426.46	424.01	424.77	—0.68

Dow Jones Bond Averages

	Close	Ch'ge
20 Bonds	96.66	—0.19
10 Utilities	92.85	—0.29
10 Industrials	100.48	—0.08

NYSE Diary

	Close	Prev.
Advanced	1019	964
Declined	1158	1170
Unchanged	665	703
Total issues	2842	2837
New Highs	27	35
New Lows	86	71

AMEX Diary

	Close	Prev.
Advanced	250	367
Declined	306	280
Unchanged	244	222
Total issues	800	769
New Highs	9	12
New Lows	38	22

NASDAQ Diary

	Close	Prev.
Advanced	1454	1559
Declined	1647	1511
Unchanged	1962	1994
Total issues	5063	5064
New Highs	47	66
New Lows	130	158

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.691	0.691
Coffee, Braz., lb	1.90	1.90
Copper electrolytic, lb	1.16	1.15
Iron FOB, ton	213.00	213.00
Lead, lb	0.36	0.36
Silver, troy oz	5.285	5.24
Steel (scrap), ton	122.00	122.00
Tin, lb	3.5854	3.5786
Zinc, lb	0.4461	0.4452

EUROPEAN FUTURES

Metals

	Close Bid	Close Ask	Previous Bid	Previous Ask
ALUMINUM (High Grade)				
Dollars per metric ton				
Spot	1523.00	1524.00	1522.00	1523.00
Forward	1540.00	1541.00	1539.00	1540.00
COPPER CATHODES (High Grade)				
Dollars per metric ton				
Spot	2426.50	2428.50	2448.00	2449.00
Forward	2444.00	2445.00	2467.00	2468.00
LEAD				
Dollars per metric ton				
Spot	584.50	585.50	581.00	582.00
Forward	600.00	601.00	597.00	598.00
NICKEL				
Dollars per metric ton				
Spot	6255.00	6265.00	6175.00	6190.00
Forward	6350.00	6355.00	6265.00	6280.00
TIN				
Dollars per metric ton				
Spot	5315.00	5325.00	5300.00	5310.00
Forward	5390.00	5400.00	5370.00	5380.00
ZINC (Special High Grade)				
Dollars per metric ton				
Spot	961.50	962.50	959.00	960.00
Forward	983.00	984.00	982.00	983.00

Financial

	High	Low	Close	Change
3-MONTH STERLING (LIFFE)				
£500,000 - pts of 100 pct				
Sep	94.37	94.32	94.35	—0.03
Dec	93.64	93.55	93.57	—0.06
Mar	92.95	92.88	92.91	—0.04
Jun	92.38	92.30	92.35	—0.03
Sep	91.92	91.84	91.90	—0.03
Dec	91.53	91.48	91.53	+0.01
Mar	91.26	91.24	91.28	—0.01
Jun	91.08	91.04	91.08	—0.02
Sep	90.88	90.84	90.87	+0.01
Dec	90.66	90.63	90.67	+0.04
Mar	90.47	90.43	90.48	+0.04
Jun	90.30	90.30	90.36	+0.03
Est. volume: 60,281. Open int.: 539,848.				
3-MONTH EURODOLLARS (LIFFE)				
$1 million - pts of 100 pct				
Sep	94.74	94.73	94.63	—0.12
Dec	94.04	93.96	93.92	—0.14
Mar	93.76	93.66	93.63	—0.16
Jun	93.35	93.35	93.33	—0.16
Sep	N.T.	N.T.	93.09	—0.14
Est. volume: 411. Open int.: 6,047.				
3-MONTH EUROMARKS (LIFFE)				
DM1 million - pts of 100 pct				
Sep	95.17	95.14	95.16	+0.01
Dec	94.97	94.93	94.97	+0.02
Mar	94.70	94.64	94.69	+0.03
Jun	94.39	94.32	94.39	+0.06
Sep	94.13	94.05	94.13	+0.07
Dec	93.82	93.76	93.82	+0.03
Mar	93.61	93.47	93.62	+0.06
Jun	93.43	93.36	93.43	+0.06
Sep	93.21	93.21	93.21	+0.06
Dec	92.97	92.97	92.97	+0.06
Mar	92.83	92.83	92.83	+0.04
Jun	92.64	92.64	92.69	+0.06
Est. volume: 65,071. Open int.: 835,642.				
3-MONTH PIBOR (MATIF)				
FF5 million - pts of 100 pct				
Sep	94.10	93.97	94.06	+0.03
Dec	93.92	93.78	93.90	+0.03
Mar	93.74	93.62	93.72	+0.05
Jun	93.57	93.40	93.55	+0.10
Sep	93.39	93.19	93.36	+0.10
Dec	93.14	93.00	93.15	+0.11
Mar	92.94	92.83	92.95	+0.09
Jun	92.83	92.78	92.83	+0.09
Est. volume: 48,725. Open int.: 198,428.				
LONG GILT (LIFFE)				
£50,000 - pts & 32nds of 100 pct				
Sep	101-05	99-25	101-02	+0-29
Dec	N.T.	N.T.	100-02	+0-20
Est. volume: 47,264. Open int.: 112,108.				
GERMAN GOVERNMENT BUND (LIFFE)				
DM 250,000 - pts of 100 pct				
Sep	92.50	91.85	92.49	+0.56
Dec	91.80	91.30	91.86	+0.54
Est. volume: 120,071. Open int.: 7 195,280.				
10-YEAR FRENCH GOV. BONDS (MATIF)				
FF500,000 - pts of 100 pct				
Sep	115.82	114.44	115.68	+1.12
Dec	114.90	113.66	114.88	+1.16
Mar	113.90	112.94	114.14	+1.16
Jun	N.T.	N.T.	N.T.	Unch.
Est. volume: 127,410. Open int.: 134,297.				

Industrials

	High	Low	Last	Settle	Ch'ge
GASOIL (IPE)					
U.S. dollars per metric ton-lots of 100 tons					
Jul	149.50	147.50	149.25	149.25	+2.25
Aug	153.25	151.25	152.75	152.75	+2.75
Sep	156.00	154.25	155.75	155.75	+1.25
Oct	159.00	157.25	158.75	158.75	+1.25
Nov	161.00	159.25	160.50	160.75	+1.25
Dec	162.75	161.25	162.75	162.75	+1.25
Jan	164.25	162.75	164.00	164.25	+1.25
Feb	N.T.	N.T.	N.T.	163.25	+1.00
Mar	162.00	161.50	162.00	161.75	+1.00
Apr	N.T.	N.T.	N.T.	160.25	+1.00
May	N.T.	N.T.	N.T.	158.55	+1.00
Est. volume: 20,637. Open int. 94,591					
BRENT CRUDE OIL (IPE)					
U.S. dollars per barrel-lots of 1,000 barrels					
Aug	18.00	17.40	17.96	17.96	+0.59
Sep	17.63	17.18	17.61	17.62	+0.56
Oct	17.45	17.10	17.41	17.41	+0.42
Nov	17.31	17.07	17.31	17.34	+0.44
Dec	17.26	16.97	17.24	17.21	+0.36
Jan	17.05	17.00	17.05	17.12	+0.34
Feb	17.12	16.95	17.12	17.06	+0.31
Mar	17.00	16.79	16.97	16.94	+0.29
Apr	16.85	16.85	16.85	16.87	+0.29
Est. volume: 66,567. Open int. 145,407					

Stock Indexes

	High	Low	Close	Change
FTSE 100 (LIFFE)				
£25 per index point				
Sep	2974.0	2937.0	2959.0	—11.0
Dec	2980.0	2979.0	2967.5	—11.0
Est. volume: 12,720. Open int.: 50,846.				
CAC 40 (MATIF)				
FF200 per index point				
Jul	1965.00	1938.00	1954.00	+30.00
Aug	1949.00	1946.00	1962.50	+30.50
Sep	1979.50	1956.00	1970.00	+30.00
Dec	N.T.	N.T.	1999.00	+31.00
Mar	N.T.	N.T.	2025.50	+30.50
Est. volume: 18,861. Open int.: 71,047.				

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

Dividends

Company	Per	Amt	Pay	Rec
INCREASED				
Hyper 1999 Trm.	M	.05	7-18	7-28
INITIAL				
ABC Corp	-	.095	7-16	7-29
Crscnt RE Equit	-	.29	7-18	8-2
Medicus Sys	-	.03	8-1	8-15
IRREGULAR				
Apex MunFd	-	.0599	7-18	7-28
Convrt HideInco	-	.29	7-20	7-29
Corp HiYld Fd	-	.1189	7-18	7-29
Corp HiYld FdII	-	.1171	7-18	7-27
MuniAssets Fd	-	.0714	7-18	7-28
MuniBd IncFd	-	.0675	7-18	7-28
MuniEnhncdFd	-	.0442	7-18	7-28
MuniInsd Fd	-	.0463	7-18	7-28
MuniVest Fd	-	.0675	7-18	7-28
MuniVestFdII	-	.0697	7-18	7-28
MuniVestFL Fd	-	.0678	7-18	7-28
MuniVestNJ Fd	-	.0674	7-18	7-28
MuniVestCA Isd	-	.0647	7-18	7-28
MuniVestMI Isd	-	.0674	7-18	7-28
MuniVestNY Isd	-	.067	7-18	7-28
MuniVestPA Isd	-	.0678	7-18	7-28
MuniYld Fd	-	.0843	7-18	7-28
MuniYld AZ Fd	-	.0675	7-18	7-28
MuniYld AZ FdII	-	.0461	7-18	7-28
MuniYld CA Fd	-	.0832	7-18	7-28
MuniYld FL Fd	-	.0750	7-18	7-28
MuniYld MI Fd	-	.0760	7-14	7-28
MuniYld NJ Fd	-	.0768	7-18	7-28
MuniYld PA Fd	-	.0694	7-18	7-28
MuniYld Isd	-	.0801	7-18	7-28
MuniYld IsdII	-	.0782	7-18	7-28
MuniYld CAIsd	-	.075	7-18	7-28
MuniYld CAIsdII	-	.078	7-18	7-28
MuniYld FL Isd	-	.074	7-18	7-28
MuniYld MI Isd	-	.0721	7-18	7-28
MuniYld NJ Isd	-	.0732	7-18	7-28
MuniYld NY Isd	-	.0814	7-18	7-28
MuniYld NYIsdII	-	.0719	7-18	7-28
MuniYld NYIsdIII	-	.068	7-18	7-28
REVERSE STOCK SPLIT				
Osborn Comm 1 for 2 reverse split.				
REGULAR				
Bonyon SirtRlty	Q	.90	7-22	8-15
Cnwty GenlStrs	Q	.02	8-1	8-15
EatonVanMarTR	M	.034	7-8	7-15
EatonVanTrstTR	M	.020	7-15	7-29
EatyIcFExAT&T	M	.2280	7-15	8-1
FrstChi adjpf	Q	.875	9-2	9-30
FrstChi adjpfB	Q	1.50	8-5	8-31
FrstChi adjpfC	Q	1.425	8-5	8-31
Fortis Secs	Q	.075	7-25	8-15
Hyper 1997 Trm	M	.05	7-18	7-28
Hyper 2005 Inv	M	.0625	7-10	7-28
Kerr-McGee	Q	.38	9-2	10-3
Phillips Petr	Q	.28	8-5	9-1
Pittston Min	Q	.1625	8-15	9-1
Pittston SvsGrp	Q	.05	8-15	9-1
RPM Inc	Q	.13	7-18	7-29

a-annual; b-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

U.S./AT THE CLOSE

Delta Airlines Plans New Job Cuts

ATLANTA (Reuters) — Delta Air Lines Inc. said Monday it would eliminate 4,500 full-time jobs over the next 12 months from its customer-service division, continuing a cost-cutting effort aimed at making Delta a more competitive airline.

The reductions are projected to contribute to the division's goal of achieving $175 million to $250 million in annual savings. The latest round of job cuts represents about 20 percent of the customer service unit, said Delta spokesman Bill Berry.

Delta last month also cut 20 percent, or 2,500, jobs, from its technical operations division as part of the restructuring plan.

Abbott Labs Has Profitable Quarter

NORTH CHICAGO, Illinois (AP) — Abbott Laboratories said Monday its second-quarter profit jumped 9 percent amid improved sales of all its drug and health product categories.

Net earnings were $377 million, compared with $346 million in the comparable year-ago period, on sales of $2.20 billion, up from $2.07 billion. Worldwide sales of pharmaceuticals and nutritional products were up 9 percent from last year, while sales of hospital and laboratory products gained 3 percent.

The company said it expects a substantial payoff from two second-quarter developments — an agreement with Hoffman-LaRoche Inc. to cross-license each others' gene amplification technologies and the introduction of a diagnostic system for medium- and high-volume laboratories to give faster results from a variety of medical tests.

U.S. Said to Lack Competitiveness

WASHINGTON (WP) — The United States has not solved its underlying competitiveness problems despite the recent strength of the economy and the rebound of many of its manufacturing industries, a panel of business, labor and academic leaders warned in a report released Monday.

The Washington-based Council on Competitiveness said that recent gains in worker productivity, investment and export growth were largely the natural outgrowth of economic recovery after a recession and should not be confused with the "resolution of long-term structural problems" facing the U.S. economy.

A rising trade deficit, a persistently low national savings rate, and the continued poor performance of the public education system were all strong indications that the country's "competitiveness problem is not behind us," said Paul Allaire, chairman of the council.

Dell Will Stop Retail-Store Selling

AUSTIN, Texas (Bloomberg) — Dell Computer Corp., in a return to the strategy that first brought it success, said it will stop selling personal computers in five retail chains and focus on "more effective ways to reach the consumer."

For the Texas computer maker, founded by Michael Dell as a mail-order business run out of his University of Texas dorm room, that primarily means taking orders from customers over the telephone. Sales through retailers, which once approached 10 percent of the company's revenue, are expected to dip below 2 percent of revenue in its fiscal second quarter ending July 31, said Michelle Moore, a Dell spokeswoman.

For the Record

Dow Jones & Co. said Monday its profit rose 15.6 percent in the second quarter, to $46 million, on a 7.6 percent increase in revenue, led by strength in its information services division. *(AP)*

Saturn Corp., a division of General Motors Corp., is installing simplified versions of "black box" flight recorders in all of its 1995 models to retrieve accident data. *(Bloomberg)*

Weekend Box Office

The Associated Press

LOS ANGELES — "Forrest Gump" dominated the U. S. box office with a gross of $24 million over the weekend. Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

1. "Forrest Gump"	(Paramount)	$24 million
2. "The Lion King"	(Walt Disney)	$23 million
3. "Speed"	(Twentieth Century-Fox)	$7.8 million
4. "Blown Away"	(Metro-Goldwyn-Mayer)	$5.8 million
5. "The Shadow"	(Universal)	$5.5 million
6. "I Love Trouble"	(Touchstone)	$5.2 million
7. "Wolf"	(Columbia)	$4.4 million
8. "Baby's Day Out"	(Twentieth Century-Fox)	$2.8 million
9. "Wyatt Earp"	(Warner Brothers)	$2.7 million
10. "The Flintstones"	(Universal)	$2.7 million

COFFEE: *Second Brazilian Cold Snap in Two Weeks Causes Price Surge*

Continued from Page 7

Alexandre Beltrao, executive director of the International Coffee Organization.

Traders said French retail prices could be 50 percent higher by September and in Britain a jar of coffee was likely to rise at least 20 percent.

Since coffee drinking was a habit, once lost it would be hard to lure people back, they warned.

Simeon Onchere, council chairman of the International Coffee Organization, said that it would "tend to frustrate consumption."

But an executive at Kraft Jacob Suchard dismissed the gloomy predictions. "I don't think there's a long-term hit to consumption," said Brian Carlisle, a general manager.

Prices have now risen fivefold since the beginning of last year, following a prolonged slump from the late 1980s when an international agreement to prop up the market collapsed.

Producers said that the frosts had a strong impact in a year when a shortage of coffee had already pushed world prices higher.

Many farmers had switched to other crops in earlier years. As a result, the producing countries, most of which are developing states and are often heavily indebted, have little coffee in storage that would be able to benefit from the latest price increases.

Mr. Onchere called for a return to an international agreement that would have the economic teeth to lend stability to coffee prices, something he said the free market could not do.

Analysts said Brazil's output in the next year could fall to about half of the originally forecast crop.

WORLD STOCK MARKETS

Agence France Presse July 11

U.S. FUTURES

Via Associated Press July 11

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هكذا من الاصل

Ranks Takeover Increases Profit For Tomkins

Bloomberg Business News

LONDON — Tomkins PLC said Monday that its pretax profit, boosted by the acquisition of the food company Ranks Hovis McDougall PLC, had surged 50 percent in the year ended May 1.

The British conglomerate, whose products range from Smith & Wesson handguns to Murray bicycles, posted earnings of £257.1 million ($395 million), up from £171 million a year earlier.

Tomkins said the increase in pretax profit reflects its policy of acquiring troubled businesses at a discount and bolstering margins by cost-cutting and capital investment. Greg Hutchings, the company's chief executive, said this policy had helped Tomkins outperform the market.

If the contribution to earnings from Ranks Hovis McDougall is subtracted, Tomkins' pretax profit increased by 14 percent, to £130.6 million.

The company said it would pay a dividend for the second half of 4.545 pence per share, making the dividend for the full year amount to 7.38 pence, up 16 percent from a year earlier.

The company said it had increased its dividend by more than 10 percent every year for the past 12 years and "we remain committed to this progressive policy." Shareholders will also be offered the opportunity to receive new Tomkins shares instead of the cash dividend.

"We continue to benefit from growth in the U.S. economy, while in the U.K. signs of recovery are becoming clearer," said Mr. Hutchings. "The market background is improving, albeit slowly and unevenly, while our order books, in the aggregate, are well ahead of the same period last year."

Mr. Hutchings said Tomkins would continue to make acquisitions but that no major purchase would be made in its existing product lines. He said he considered any deal of more than £400 million as a "major" acquisition.

"The cash surplus means that we can gear up for an acquisition very easily, but we will use a major acquisition to broaden our product range," said Mr. Hutchings. The company ended the year with a cash surplus of £156 million, despite the acquisition of two businesses from Canada's Noma Industries Ltd. for $142 million.

Tomkins has completed the first stage of a three-year cost-cutting and reorganization program at Ranks Hovis McDougall. As part of the job-cutting program, the company reduced Ranks Hovis McDougall's staff by about 3,000 employees, to 24,000. The company said there would be more job cuts, but was unable to be more specific.

Has SEAT Been Saved?

Compiled by Our Staff From Dispatches

MADRID — Spain's agreement to help bail out Volkswagen AG's troubled SEAT unit is a case study, say some analysts, in how to squeeze a government.

After six months of haggling, VW President Ferdinand Piëch and Spanish Minister of Industry and Energy Juan Manuel Eguiagaray hammered out the accord, under which the Spanish government will spend 30 billion pesetas ($230 million), ostensibly to fund research and development projects at SEAT.

For Spain, which maintained throughout the talks that it would not give SEAT direct subsidies or help finance layoffs, the tariff was the price necessary to ensure the company's survival as an independent brand, after repeated threats by the Germans to turn it into a VW production line.

For Volkswagen, the package is a way of recouping a fraction of SEAT's $1.1 billion in 1993 losses, virtually all of the German carmaker's deficit last year.

"With this deal the future of SEAT is assured," said Rafael Casas, a spokesman for the Spanish carmaker.

The deal was to be signed Monday night.

The accord also ends a protracted tug-of-war between the government of Prime Minister Felipe González and the directors of VW. The government had maintained that direct subsidies violated European Union directives against government bailouts.

With Spain suffering under a 24 percent unemployment rate, the government had balked at putting up money to cover the cost of layoffs that VW was mandating at SEAT.

But Volkswagen knew it had the upper hand in the negotiations, analysts said. Mr. González heads a minority government and needed the support of Catalonia, the autonomous region in which SEAT and its workforce are located. That support that might have disappeared if SEAT did.

The decision that Spain would finance research and development, many claim, is a gambit that allowed Spain to save face and VW to save money. "It was just a way of disguising the subsidy," said Simon Rosado, secretary general of the metals federation of Comisiones Obreras, one of Spain's principal labor unions.

Meanwhile, the Volkswagen production and purchasing chief, José Ignacio López de Arriortúa, said the accord would be a help but not enough in itself.

"The company has some very competitive products, and the deal is a big help, but the important thing is a fundamental change that must take place within the company."

Mr. López de Arriortúa, speaking at a university seminar, said SEAT must direct its attention more towards client satisfaction, improving the quality of its products and the service it provides.

In addition to the 30 billion pesetas from Madrid, SEAT will receive 8 billion pesetas from the government of Catalonia. *(Bloomberg, Reuters)*

■ **Rumor of López Arrest**

Volkswagen AG and public prosecutors denied that VW's production and purchasing chief, José Ignacio López de Arriortúa, had been arrested for alleged industrial spying, Reuters reported from Frankfurt.

Prosecutors are investigating allegations by VW's rival carmaker General Motors Corp. that Mr. López and several colleagues stole GM secrets when they left GM to join VW last year.

New Chief Of Finance Opposes Dual Rands

Knight-Ridder

JOHANNESBURG — Chris Liebenberg, who is to take over as finance minister of South Africa in October, said Monday he would try to reduce the country's budget deficit and move away from the country's dual-currency system.

"South Africa has been so successful in re-entering the world political arena, and now we must also get back into the financial world arena successfully," Mr. Liebenberg said. "We must do this by achieving what the international markets and agencies see as reasonable and fair."

He said the budget deficit had to be cut in order for the country's Reconstruction and Development Program — its post-apartheid blueprint — to work. The deficit for 1994-95 is forecast to be 6.6 percent of gross domestic product.

"All of us have agreed it's got to be a lost lower, so the focus will be still on less government consumption," he said.

The International Monetary Fund has accepted South Africa's current budget deficit level but has urged the country to push it toward the more respectable level of 3 percent of GDP.

South African officials have said they were concerned a high budget deficit would propel inflation.

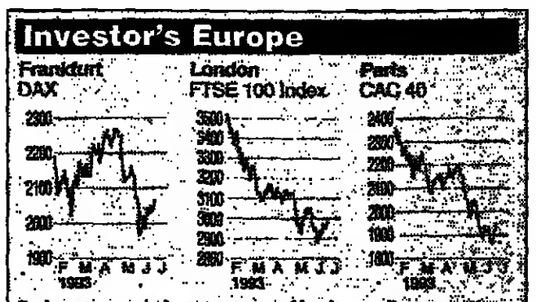
Mr. Liebenberg also strongly criticized the dual-currency system, which has been in place since 1990, and said abolishing the system would be studied.

"Ultimately, we have to have a unitary currency and forex controls that are accepted as the norm by international players," he said. "You want to do that to enhance investment rather than to present an opportunity for you to withdraw your money."

The South African government will have to prove that and its economic philosophies are sustainable before a free foreign exchange regime can be implemented, he said.

Derek Keys, the current finance minister, resigned last week, effective in October. He cited personal reasons.

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	387.26	385.84	+0.40
Brussels	Stock Index	7,341.46	7,340.43	+0.01
Frankfurt	DAX	2,065.66	2,050.85	+0.72
Frankfurt	FAZ	786.84	779.70	+0.92
Helsinki	HEX	1,733.29	1,741.39	-0.47
London	Financial Times 30	2,352.90	2,328.20	+1.06
London	FTSE 100	2,993.89	2,982.40	+0.72
Madrid	General Index	296.37	293.56	+0.96
Milan	MIB	1,105.00	1,109.00	-0.36
Paris	CAC 40	1,949.75	1,920.78	+1.51
Stockholm	Affärsvärlden	1,785.46	1,759.44	+1.54
Vienna	Stock Index	452.37	453.47	-0.24
Zurich	SBS	915.89	914.51	+0.09

Sources: Reuters, AFP — International Herald Tribune

Very briefly:

• **Bayerische Motoren Werke AG** has established a subsidiary in Mexico, called BMW Mexico SA de CV, that will take over the service and sales activities of Grupo Bavaria.

• **Soros Fund Management** has sold its entire stake of about 2.5 million shares in Berkeley Group PLC.

• **Villeroy & Boch AG**, the German bathroom fixtures maker, said sales fell 2.8 percent in the first six months of the year as the company sharply cut back its ceramic-tile offerings.

• **Qatar** is taking bids for the extension and modernization of one of its oil refineries; the project is expected to cost between $400 million and $500 million.

• **Nortel Matra Cellular**, a joint venture between Northern Telecom Ltd. and Lagardère Groupe, has won a contract worth 500 million French francs ($92 million) to supply a cellular network to Taiwan.

Reuters, AFX, Bloomberg, AFP

'Pressure' on Siemens Profit

Bloomberg Business News

PRAGUE — Siemens AG, the German electronics company, said Monday that operating profit for the financial year ending on Sept. 30 would fall as much as 15 percent from the prior-year level because of price deterioration and stagnating sales.

Noting that prices in some areas had fallen by 10 percent or more, Chief Executive Heinrich von Pierer said at a press conference in the Czech capital that net income was "under pressure," even though sales had risen 3.5 percent in the first eight months of the current financial year.

Karl-Hermann Baumann, the company's chief financial officer, said that net income would nevertheless be "just under the results from last year" because profit would be boosted by one-time gains from the sale of the company's pacemaker activities.

In the previous year, Siemens' net profit had edged up 1 percent, to 1.98 billion Deutsche marks ($1.26 billion). The company has warned on a number of occasions that net earnings would drop in the current year.

Siemens' share price reacted little to the news, edging up 50 pfennig, to 655 DM.

Mr. von Pierer said that Germany's economic recovery was not expected to boost Siemens's earnings until the 1994-1995 financial year. "We know that electrical engineering and electronics are always at the end of the business cycle."

Mr. von Pierer said that the costs of shutting a nuclear fuel plant in Hanau had weighed on earnings this year but that the semiconductor business was making a profit for the first time in a decade and was expected to finish the financial year in the black.

The company said it expected to double sales in Eastern Europe and the former Soviet Union by next year. In the current financial year, new orders in the region were expected to exceed 2 billion DM, or about 5 percent of the company's foreign business.

With 70 Siemens subsidiaries and more than 13,000 employees throughout the region, the company already is well established but faces formidable obstacles to further expansion in many countries in the region, Mr. von Pierer said.

France Telecom Profit Up

Compiled by Our Staff From Dispatches

PARIS — France Telecom on Monday reported a 45 percent jump in 1993 net profit on a 4 percent rise in sales, reflecting reduced financial charges as the state-owned company's debts were pared.

The company said its net profit rose to 4.8 billion francs ($895 million) on sales of 127.0 billion, making it the world's fourth-largest telecommunications company.

The net profit was after a payment of 15.2 billion francs to the state, and it did not include earnings from units managed by the Cogecom holding company.

The company said a difficult economic climate had influenced its results and its sales rise came mostly from new services such as its Bi-Bop mobile system.

In 1993, debt totaled 105.6 billion francs, down 6 billion from a year earlier, France Telecom said. Its total investments rose to 35.2 billion francs from 30.1 billion. *(Reuters, AFX)*

Virgin Joins Eurotunnel Bid

Compiled by Our Staff From Dispatches

PARIS — Virgin Group has joined a consortium that is bidding to design, build and operate the high-speed rail link between London and the Channel Tunnel and to operate services from London to Paris and Brussels, the company said.

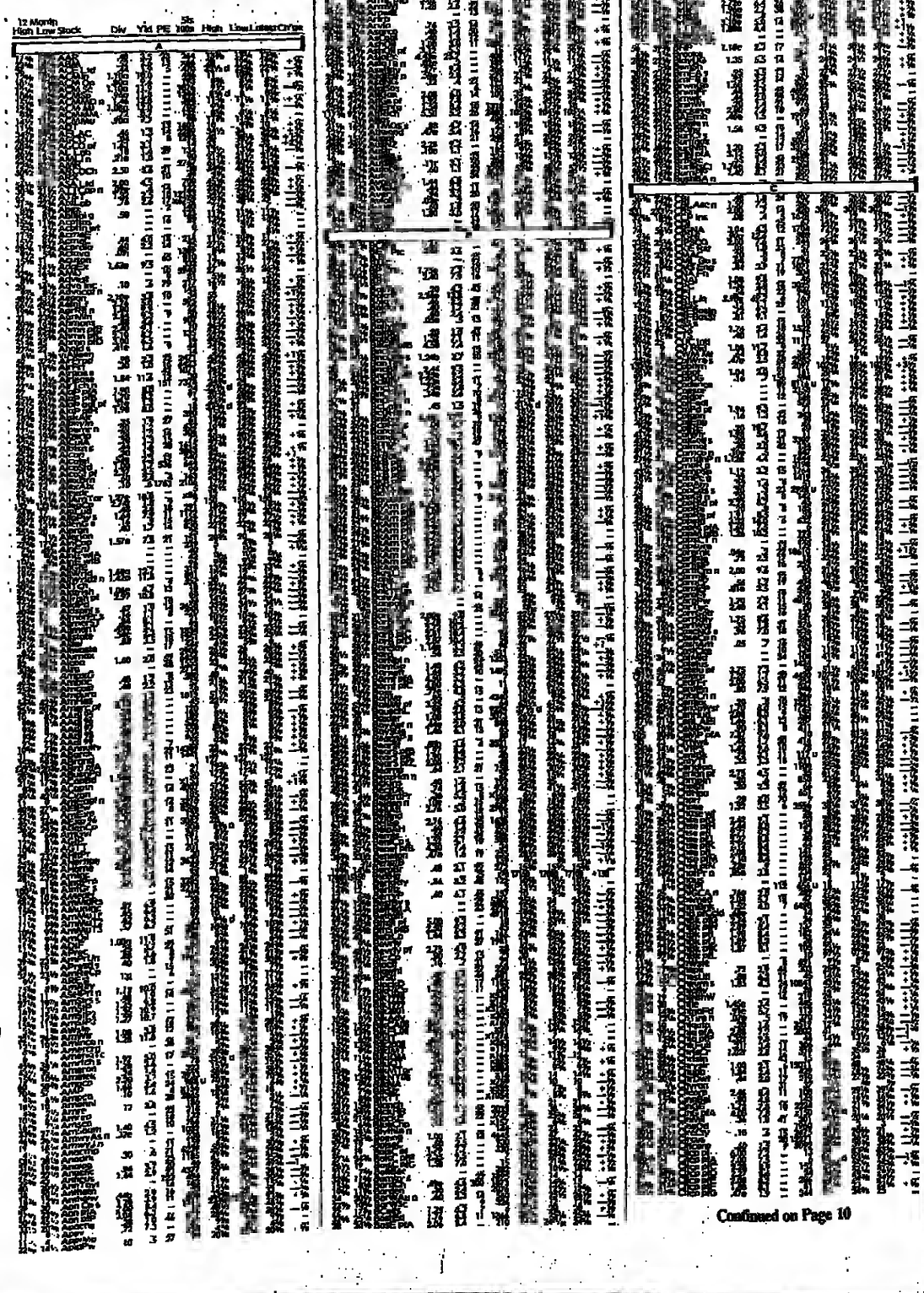
London & Continental Railways is one of four groups planning to bid for the $2.7 billion ($4 billion) franchise. Its members include Bechtel Group, the U.S. construction company; S. G. Warburg & Co., the investment firm, the National Express bus operator; Sofrerail, a French rail consultancy; Ove Arup & Partners, an engineering consultancy; and Blue Circle Industries PLC, the cement maker. Passenger service on the train linking Paris to London is to begin in October.

Will Whitehorn, a Virgin spokesman, said Virgin would seek to introduce to the train services the same sort of marketing devices that it employs on Virgin Atlantic Airlines, including on-board entertainment, special corporate rates and frequent-traveler programs. *(Bloomberg, Reuters)*

NYSE

Monday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press



Continued on Page 10

KOREA: *Kim's Death Dents the Rally in Korea's Stock Market*

Continued from Page 7

these sectors, which comprise about 60 percent of South Korea's total, jumped 14.6 percent in the first quarter of 1994, according to Jardine Fleming Securities. The economy also has benefited from strong demand from the United States, Europe and other regions.

If anything, the risk now is that South Korea's economy might overheat next year, boosting inflation and interest rates and undermining the stock market's climb.

To be sure, the South Korean market remains among the riskiest in the world. North Korea is among the most isolated countries in the world, there is little hard information on Kim Jong Il, and it is impossible to rule out the prospect of political collapse and civil war, possibly nuclear.

Most of the selling on Monday came from individuals, whose share of the market has been in steady decline in recent years. Domestic and foreign institutions, in contrast, appear to accept the government's expectation of continuity in economic policies that have allowed South Korean businessmen to visit the north and engage in limited trade and investment.

"There's no real basis for predicting that the policy that the new leadership will pursue will be radically different," Foreign Minister Han Sung Joo of South Korea said Monday.

Foreign analysts said declines on the Korean stock market could provide a good opportunity to buy shares. The Finance Ministry restricts foreign ownership to 10 percent of most issues, but it has indicated it will raise this limit in two stages to 15 percent by the middle of 1995.

The increase could lower the premium foreign investors now pay to acquire shares of companies traded on an informal telephone market. The most attractive issues, such as Pohang Iron & Steel Co. and Samsung Electronics, are trading at premiums of 20 percent to 30 percent, while Korea Mobile Telecom has reached a premium of as high as 90 percent, analysts said.

But the benefits of the higher limits to foreign investors may be illusory because the Finance Ministry plans to give a "warning period" before the ratio is increased. "The purpose," one foreign analyst said, "is to allow domestic institutions to bid up shares and fleece the foreigners."

NYSE

Monday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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Australia Dollar Halves Profit At Alcoa Unit

Compiled by Our Staff From Dispatches

MELBOURNE — Weak prices and a strengthening Australian dollar combined to slash first-half profit by 50 percent at Alcoa of Australia Ltd., the world's leading producer of alumina, the company said Monday.

Although Alcoa predicted an eventual improvement in its profitability, it said the remainder of the year would be difficult. The aluminum industry has been suffering from oversupply, but rising demand linked to improving world economies and an international agreement to reduce supplies are expected to boost profitability.

Alcoa said its profit in the first half fell 52 percent, to 124.7 million Australian dollars ($91 million) from 258.4 million in the first six months of 1993, when earnings were boosted by a 59.7 million dollar gain related to reduced tax rates.

Profit excluding one-time gains fell by 37 percent in the latest period as sales fell to 982.5 million dollars from 1.07 billion.

The reduced profit was due mainly to lower U.S. dollar prices for the company's products and lower sales volumes for aluminum and gold. A strong Australian dollar, which reduces revenue expressed in the local currency, also had an adverse impact, the company said.

Alcoa of Australia is 51 percent-owned by Aluminum Co. of America, while Western Mining Corp. Holdings Ltd. currently holds 48.25 percent. Under an agreement announced last week, Western Mining and Alcoa will merge their worldwide alumina operations. That combination will include the transfer of a 9 percent stake in Alcoa of Australia to its U.S. parent from Western Mining.

Alumina is a powder refined from the mineral bauxite. It is processed into aluminum.

In London, the International Primary Aluminum Institute said Monday that stockpiles of aluminum in the industrialized countries fell to 3.580 million metric tons from 3.644 million tons in April. Supplies have been falling since early this year, when producers agreed to reduce output by about 10 percent.

On the London Metals Exchange, spot aluminum ended at $1,523.50 a ton, up from $1,512 on Friday. The metal ended last year at $1,108.50 and was about $1,240 a year ago.

Meanwhile, the Australian dollar is now worth about 73 U.S. cents, up from 68 cents at the end of last year.

Alcoa of Australia also produces gold. It said its output fell to 57,143 ounces in the latest six-month period from 70,409 in the similar 1993 span.

(Bloomberg, AFX, Reuters)

Players Merger To Counter Bid

Reuters

SYDNEY — In an effort to quash a hostile takeover bid, Players Group Ltd. said Monday it would merge with Lanes Biscuits Pty. of New Zealand.

The Singapore-based Jack Chia MPH Ltd. has submitted a bid for Players that values the company at 20.12 million Australian dollars ($15 million), or 85 cents a share. Peter McGovern, the chairman of Players, said the merger should end Jack Chia's quest.

The new company will be the second-largest cookie company in Australia, behind Arnotts Ltd., and will have annual sales of more than 100 million Australian dollars. Gary Lane, chairman of Lanes, is to be chairman of the merged company and have an interest in 56.3 percent. The Player family and its associates will own 12.8 percent.

JVC Says Goodbye to Hollywood

Electronics Company Shuns the Risks of Making Movies

Bloomberg Business News

TOKYO — Five years ago, Victor Co. of Japan led a charge by Japanese electronics makers into the glamorous world of movies when it earmarked $100 million to set up a Hollywood production and distribution company.

Now, Victor, a video equipment maker better known as JVC, has quietly slipped out of the director's chair. Instead of making films, it is just distributing them.

JVC, trying to return to the black after two consecutive years of losses, reorganized its Hollywood strategy after judging that the costs and risks involved in making movies were too high.

The decision reflects the difficulties faced by Japan's electronics companies in the competitive world of motion pictures.

JVC's California subsidiary, Largo Entertainment, had successes like "Unlawful Entry" and "Point Break." But the Japanese parent wanted to find a surer way of making money in Hollywood.

"Making films is the most risky part of the movie business, because you don't know if you will wind up with a good product until you're actually done with it," said Ryouichi Asada, a JVC spokesman.

JVC's consolidated net loss widened to 26.8 billion yen ($272 million) in the year ended March 31 from 25.5 billion yen the previous year. The company said in May that it hopes to break even this year.

As a result of the reorganization, Largo no longer distributes movies in the massive North American market, concentrating instead on distribution rights for films in international markets, including Japan.

"Distribution carries a small risk, because you make a decision on whether to go with a movie after you've actually seen it," Mr. Asada said.

Mr. Asada added that JVC's retreat from distribution in North America was tied to its decision to stop making films.

> **Distribution is safer 'because you make a decision on whether to go with a movie after you've actually seen it.'**
>
> **Ryouichi Asada, a JVC spokesman.**

"Major production companies in the U.S. tend to take care of distribution on their own," he said. "And independent films tend to distribute through major houses."

JVC was the first Japanese electronics maker to move into Hollywood, when it established Largo with Lawrence Gordon, the producer of "Die Hard" and "Field of Dreams," as chairman in August 1989.

Shortly after, Sony Corp. spent $3.4 billion to acquire Columbia Pictures Entertainment and its music business from Coca-Cola Co. Then, Matsushita Electric Industrial, which has a 52.4 percent stake in JVC, plunked down more than $6 billion for MCA Inc., owner of Universal Pictures.

The investments did not stop there. In 1990, Pioneer Electronics Corp. began investing in Carolco Pictures Inc., eventually taking about a 20 percent stake.

The companies' motives were simple: by stepping into the production side of the movie and music business, Japan's electronics giants gained direct control of the entertainment products needed to feed sales of their audio and video equipment.

"The leisure market in the U.S. is quite big, said Eric Gan, an analyst at Goldman, Sachs & Co. in Tokyo. Indeed, movie ticket sales and video rentals total about $13 billion a year in America, compared with about 65 billion yen ($663 million) in Japan, he said.

"Japanese dominate the hardware part of the U.S. market; they knew they needed to control the movie side, the software side, too," added Mr. Gan.

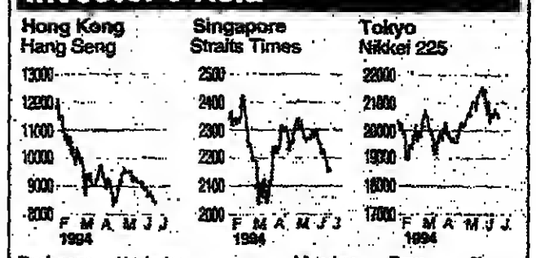
While the concept should help build the companies' business in the long term, the returns to date have hardly been breathtaking.

So far, the biggest winner in Hollywood has been MCA, which took in worldwide box-office sales of $900 million for "Jurassic Park."

"Nobody is making money, except for MCA," Mr. Gan said.

For Japanese electronics makers, the poor return afforded by Hollywood could not have come at a worse time. After pouring billions of dollarrs into acquisitions, the companies saw their profits plummet amid a worldwide slump in electronics markets and a rise in the value of the yen.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	8,394.94	8,432.86	-0.45
Singapore	Straits Times	2,151.25	2,162.94	-0.54
Sydney	All Ordinaries	1,961.20	1,964.90	-0.19
Tokyo	Nikkei 225	20,473.09	20,536.50	-0.31
Kuala Lumpur	Composite	988.88	987.78	+0.11
Bangkok	SET	1,278.37	1,287.34	-0.70
Seoul	Composite Stock	948.84	956.38	-0.79
Taipei	Weighted Price	8,313.80	8,191.79	+1.96
Manila	PSE	2,543.75	2,583.85	-1.55
Jakarta	Stock Index	458.45	462.20	-0.39
New Zealand	NZSE-40	1,945.51	1,955.93	-0.53
Bombay	National Index	1,940.06	1,938.21	+0.10

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- **NEC Corp.**, the Japanese electronics concern, said it won a 15 billion yen ($152 million) order to supply mobile telephone base stations and switching equipment to **Brazil**.
- **Australis Media Ltd.**, the Australian pay television company, secured all six microwave television licenses sold at a government auction for 17.3 million Australian dollars ($12.7 million).
- **STAR TV**, the Asian satellite broadcaster, said it has signed an agreement with **PolyGram Film International**, a unit of Dutch entertainment concern PolyGram NV, to supply 20 films a year.
- **Swiss Bank Corp.** will offer currency warrants in Hong Kong, with over-the-counter trading to begin Tuesday; puts and calls on U.S. dollars, Deutsche marks and Japanese yen will be available.
- **Marubeni Corp.**, the Japanese trading company, said it will acquire **Royal Dutch/Shell Group's** seed-breeding affiliate, **Agripro Bioscience Inc.**, for an undisclosed amount.
- **Australia's** budget deficit improved in the year ended June 30, to 13.67 billion Australian dollars, compared with the previous year's deficit of 14.57 billion, the Finance Department said.

AFX, AFP, Reuters, Bloomberg

Reliance Reports Sharp Rise in Profit

Compiled by Our Staff From Dispatches

BOMBAY — India's largest private-sector company, Reliance Industries Ltd., Monday announced a sharp increase in profit for the year ended March 31, reflecting a surge in the performance of the country's corporate sector.

At its annual board meeting, the textiles and petrochemicals company reported a 79 percent increase in after-tax profit, to 5.75 billion rupees ($183 million). The company also announced a 5.10 rupee dividend for each 10-rupee share, compared with the previous year's 3.50 rupee dividend.

Analysts said the dividend indicated a better year lies ahead for private companies in India.

"It is great, but it was expected," said Vivek Parikh of the brokerage Jamnadas Morarjee and Co. "And it is in line with the rest of the corporate sector."

Tata Iron & Steel Co., part of the Tata group, has reported a 42 percent jump in net profit for the latest fiscal year to 1.81 billion rupees, and the tobacco concern ITC Ltd.'s after-tax profit was 2.06 billion rupees, up 32 percent.

On the strength of the Reliance announcement, the Bombay stock exchange, the country's largest bourse, rose 3.52 points Monday, to 4,080.17. The national index, which tracks 100 stocks from the top five exchanges, was up 5.29 points, at 1,940.06.

Reliance is the most heavily weighted stock in Bombay, comprising 14.3 percent of the index.

"This is the largest dividend distribution in Indian corporate history," said Anil Ambani, Reliance's joint managing director. The dividend payout will amount to 1.4 billion rupees.

The results came just after Reliance became the first Indian company to be listed among the 50 largest companies in the world's emerging markets by Business Week magazine. Its growth is partly due to the expansion of the domestic plastics market.

Reliance's sales totaled 53.35 billion rupees, up 30 percent from 41.05 billion in the previous cal year, reflecting the current bullish market for company products such as polyester fiber.

Reliance also benefited from cheap funds it raised through three bond issues totalling $590 million.

(Reuters, Bloomberg)

Trading Probe in Tokyo

Agence France-Presse

TOKYO — The Tokyo Stock Exchange plans to investigate trading in Mitsubishi Oil Co. shares, which soared in heavy volume Monday before the company announced the auspicious results of test drilling in Vietnam, a news report said.

Jiji Press said the exchange suspected that inside information about the results of the test had been leaked before the announcement was made, 90 minutes after the market closed.

The company's share price jumped to 1,160 yen ($11.76) at one stage Monday, its highest level so far this year, before sliding to close at 1,150 yen, up 40. Turnover almost tripled, to 14.57 million shares from Friday's 5.54 million.

NASDAQ

Monday's 4 p.m.

This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

17 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A								
18¼	4¼	AAON s		—	26	593	16¾	15⅝	15⅞	—¾
20¾	12	ABC Rail		—	—	169	19¾	19	19¼	—
20	15	ABT Bld		—	15	199	24	23½	23½	—½
26¼	12½	ACC Cp	.17a	.9	8	81	16	13¾	16	+ ¾
24	6¼	ACS En		—	—	1296	12	11⅜	11½	—⅝
46¾	30½	ACX Tc		—	35	187	39¾	38½	39½	+ ½
44	28¼	ADC Tel		—	32	322	42¼	41	41¼	—⅞
17¼	10¾	AES Chn		—	—	74	11¾	11	11½	- ½
23¾	16	AESCp s	.681	3.7	18	948	18½	17¾	18½	+ ½
27¾	19¾	AK Steel		—	—	788	26¾	25½	25½	—1
22¼	15¼	APS Hld		—	16	608	u22½	21½	21⅞	—½
15¾	4¾	ASK		—	—	2	13¼	13	13	—⅞
33	12½	AST		—	—	7716	15	13¾	14½	—⅞
29½	14½	AbbeyH		—	23	767	16¾	16	16½	—
31⅜	13½	Aclaim		—	17	2729	16⅝	16	16¼	—¼
27¼	12	AcmeMet		—	13	264	23	22⅞	22	+ ⅝
20½	5¾	Actel		—	20	1513	9½	9¼	9½	+ ¼
15½	7⅝	AdacLb	.48	6.0	7	237	8¼	7⅞	8	—
32½	10¾	Adaptc		—	17	1631	18¹¹⁄₁₆	18⅜	18¾	+ ¼
26½	10	Adelph h		—	—	6	12	12	13	—
37½	20	AdiaSv	.16	.4	20	185	35¼	35½	35¾	+ ¼
24½	16¼	AdobeS s	.20	.7	25	4580	20½	27¾	20¾	+ ½
12½	6¾	AdvPro		—	—	83	5	6¼	4⅞	—⅛
11¼	4¼	AdvTiss		—	—	934	6¼	5¾	4	—
46¾	26½	Advanta s	.28	.6	17	1435	37¼	34¾	35¼	—1¼
38¼	27	AdvantB s	.24	.7	17	797	34⅞	32¾	32⅞	—1⅜
15	7⅞	AgencyR		—	16	1551	11⅞	11¼	11⅞	+ ¼
16⅞	8⅜	Agnico a	.10e	.8	—	886	13½	12½	12¼	+ ½
16¾	0¼	Agouron		—	—	422	10½	9¾	10¼	—
14½	1⅞	AirMeth		—	—	498	2	2¾	3	+ ¼
61¾	41¼	Akzo	1.740	3.1	—	485	55⅝	55⅝	55¼	+ ¾
21⅞	9¼	Alantec		—	—	403	12¾	12	12⅝	+ ½
30½	17⅜	Albank	.40	1.5	14	1212	30½	25⅞	25⅞	—
19¼	13	Aldila s		—	27	1295	15	14¼	14⅜	—⅜
34½	13½	Aldus		—	33	850	26⅞	26⅜	26⅜	+ ¼
28¾	23	AlexBld	.08	3.5	18	241	26	25¼	25½	+ ¼
19¼	6¼	AlksR		—	23	596	13¼	12⅝	13⅞	+ ¼
3⅝	1¼	AllASem		—	14	418	2⅞	2⅛	2⅛	—⅛
14	7¾	AllianPh		—	—	547	9¼	8¾	9⅛	+ ¼
16	7½	AlnSemi		—	16	799	11⅜	10¾	11⅞	—¼
32¾	23¼	AlliedGp	.60	2.3	7	33	26	25½	25⅞	+ ¼
22½	13½	AlldHldg		—	10	752	17⅝	16	17¾	+ 2¾
24¼	1⅛	Alpha1		—	—	203	2⅛	2	2	—⅛
35½	7¼	AlphaBio		—	—	16	10¼	10	10	—⅛
39½	19½	Altera		—	24	8309	30⅝	28½	29	—1
24½	10½	Altron s		—	13	170	14½	14	14	—¼
92	38½	AmerOn	.01e	—	95	1094	58½	57½	57⅞	—⅝
30¾	21¼	ABnkr	.72	3.1	9	245	23½	23	23⅛	—⅛
22⅞	13⅝	AClasVoy	.14	1.0	40	180	14⅝	16¼	16¼	—
22	10½	AColloid	.24	2.0	16	432	12½	12	12¼	+ ¼
22	15½	AmFront		—	35	63	21¾	21	21⅜	+ ¾
34¼	25⅞	AGreet s	.56	1.9	14	3347	30½	29⅞	29⅞	+ ⅜

17 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
13⅝	8⅛	Siamet		—	16	2171	10½	9¾	9½	—¼
6¾	2	BioTcG				2427	2½	2⅛	2½	—⅛
35	26¼	BoatBn s	1.24	3.8	11	1633	27	32½	32⅝	—⅜
23½	17⅝	BobEvn	.27	1.3	19	382	21⅝	21¼	21¾	—
25⅜	17½	BookMill		—	20	279	23¼	22½	22¼	—⅛
27	13	Boomtwn		—	31	303	15½	19	15⅜	—⅛
22½	8½	Borland		—	—	1058	11	10½	10¾	—¼
51	32¼	BostChck		—	109	3053	37½	36	36¼	—1
14¾	6⅞	BostTc		—	28	773	9¼	8¾	8⅞	—¼
14⅜	8½	BoxEn B		—	90	164	9	8¾	9	—
15¾	4½	BriteV		—	—	774	10⅛	9⅝	9⅞	—⅞
52¼	11	BrdbdTc		—	—	4049	24½	21¼	24½	+ 2½
59½	31½	BrodSt		—	51	3191	48¾	47½	47½	—1
21⅛	9¾	BroGour		—	—	1092	13½	12	12	—1⅛
17½	10½	BrTom		—	391	439	15⅝	15	15⅜	+ ⅛
12¼	6⅛	Brunos	.24	3.4	13	464	7½	6⅞	7⅛	—
27½	16	Buffets		—	27	1491	19	18¾	18¼	—⅜

AMEX

Monday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A								
9¼	8	AIM Str	.42	5.2	—	28	8⅛	8	8⅛	+ ⅛
37	20	ALC		—	24	779	29⅝	29½	29⅝	+ ⅛
17⅛	8¼	AM Intl n		—	—	15	11	10¼	10¼	—⅛
1½	½	AM In wt		—	—	13	1⅛	1⅛	1⅛	—
14⅝	9⅞	AMC		—	14	21	12¼	12⅛	12¼	+ ⅛
25⅝	20¼	AMC pf	1.75	7.1	—	34	24⅞	24⅝	24½	—
5	1¼	ARC		—	28	147	3½	3¼	3⅛	—
20½	23	ARM F pf	2.38	10.1	—	20	22½	22½	23½	—
3	1¼	ASR	.23e	9.4	—	40	2⅛	2¼	2⅛	+ ⅛
75⅝	61⅞	ATT Fd	2.71e	4.0	—	x79	67¼	66½	67½	—⅛
6¾	4	AckCom		—	14	2	5½	5¼	5¾	—¼
5	3⅛	AcmeU		—	—	10	3⅛	3⅞	2⅞	—
6½	4	AdmRsc		—	14	5	5⅝	5⅝	5⅝	—
6⅝	2¼	AdvFin		—	16	11	7½	2¾	3⅛	—¼
15⅝	9⅝	AdvMag		—	—	43	14¼	13¼	13½	—¼
4⅞	½	AdvMedT		—	—	8	1⅛	1⅛	1⅛	—
10⅛	2½	AdMd pf		—	—	114	8⅞	8¾	8⅝	+ ⅛
5⅝	2	AdvPhot		—	—	221	2⅛	2⅛	2⅛	+ ⅛
16⅛	7¼	AirWat		—	—	139	9½	8⅞	9	—
7⅛	5⅛	Alamco		—	17	2	6⅛	6⅛	6½	—⅛
12¾	8½	AlbaW		—	28	6	11	11	11	—½
5⅝	3⅛	AlertCt n		—	—	88	4⅞	4½	4⁹⁄₁₆	+ ¼
18⅞	16	AHoopm n	1.44	8.1	—	154	18	17⅞	17⅞	—⅛
2⅜	¹⁵⁄₁₆	Alfin		—	—	28	1⅛	1½	1⅛	—⅛
17½	4	AlldRsh		—	4	244	5	4⅞	4⅞	+ ⅛
11⅜	8¼	AllouH		—	11	40	8⅞	d 8⅛	8⅞	—⅛
6⅜	3	Alphaln		—	—	114	4⅞	4⅝	4¼	+ ⅛
11	4½	AlpinGr		—	—	573	5⅛	5⅝	5¼	+ ⅜
64	56	Alcoa pf	3.75	6.6	—	z300	56¼	56⅛	56⅛	—½
1¹¹⁄₁₆	½	AmaxG wt		—	—	126	⅝	d ½	½	—⅛
7⅝	4½	Amdhl		—	—	709	5½	5⅛	5⅜	—
1⅛	½	Amhlth		—	—	1010	¾	¾	¾	—
14⅞	9½	AFstP2	1.55	14.1	—	1	11	11	11	—
20¼	16½	AFstRT	1.50	9.0	—	24	17	16¾	16⅞	—⅜
14½	30⅜	AmBilt	.30	.6	12	38	50½	50	50¼	+ ¼
1⅞	1⅛	AExpl		—	—	1671	1⅛	1⅛	1⅛	+ ⅛
14½	3¼	AIM 84	1.43o	39.4	0	115	3⅝	2⅞	3⅝	+ ⅛
16⅞	13½	AIM 85	1.44	9.7	10	186	15	14¾	14⅞	—⅛
14⅞	11½	AIM 86 n	.70e	5.7	10	204	12½	12⅜	12⅜	—⅛
15	11½	AIM 88 n	.81e	4.3	11	40	12	12	12	—⅛
47	31⅞	Alsrael	.53e	1.2	16	4	43½	43¼	43½	+ ½

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		W-X-Y-Z								
22⅞	17⅞	WRIT	.92	4.6	24	218	19⅝	19¾	19½	+ ¼
6⅝	3⅞	WshSvg s	.08	1.8	7	3	4½	4⅞	4⅞	—
14⅝	8	Wthfrd		—	29	1335	13⅝	13	12¼	—⅝
1⅝	⅜	WoodlBr		—	—	71	¹⁵⁄₁₆	d ⅞	¹⁵⁄₁₆	+ ¹⁄₁₆
15⅝	12⅞	WIRET	1.12	8.0	15	135	14¼	13⅞	14	—⅛
2⅞	1⅝	WichRO		—	46	33	1⅜	1½	1⅜	+ ⅛
4⅞	1¾	WrighTC		—	3	320	1¹⁵⁄₁₆	d1⅝	1⅞	—¹⁄₁₆
8⅞	6½	WolfHB	.28	3.7	10	10	7½	7½	7½	+ ⅛
30⅜	20½	Worthn	.60	2.1	15	75	29⅝	29¼	29⅝	—⅛
1⅞	⅜	XCL Ltd		—	—	3724	1⅛	1⅛	1⅛	+ ⅛
11⅝	3⅝	Xytron		—	—	82	3⅝	3⅝	3⅞	+ ⅛
19	15⅞	Ziegler	.52a	3.2	10	1	16⅛	16⅛	16⅛	—

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s).
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

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ADVERTISEMENT

July 11, 1994

INTERNATIONAL FUNDS

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue prices.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) fortnightly (every two weeks); (r) - regularly; (t) - twice weekly; (m) - monthly.

Fund		Value
ABC INVESTMENT & SERVICES CO (E.C.)		
Manama-Bahrain,PO 2808,Fx 532862 Tl 532235		
m ABC Futures Fund Ltd	$	127.48
m ABC Islamic Fund (E.C.)	$	126.14
m ABC Global Recovery Fd	$	99.97
ABN AMRO BANK, P.O. Box 283, Amsterdam		
w Colombia Securities	Fl	139.04
w Trans Europe Fund Fl	Fl	87.58
w Trans Europe Fund $	$	49.46
w Airesto	Fl	233.20
ABN AMRO Funds		
4, rue Jean Monnet, Lux. 352-424949.320		
d Latin America Eq Fd	$	50.89
d North America Eq Fd	$	50.38
d Germany Equity Fd	DM	100.45
d Europe Bond Fd	$	98.15
d Germany Bond Fd B	$	100.32
AIG FUND MANAGEMENT Ltd		
d AIG Amer. Eq. Trust	$	30.8007
w AIG Balanced World Fd	$	105.4338
d AIG Emerg Mkts Bd Fd	$	101.8569
w AIG Eurecu Fund Plc	Ecu	116.5905
w AIG Euro Small Co Fd Plc	$	145.7327
w AIG Europe Fd Plc	$	135.3807
w AIG Japan Fund	$	125.5144
d AIG Japan Small Cos Fd	$	17.48
w AIG Latin America Fd Plc	$	132.0209
w AIG Multicurrency Bd Fd Plc	$	102.2443
w AIG South East Asia Fd	$	234.1124
d High Life Fund	Ecu	9.47
d UBZ Euro-Optimizer Fund	Ecu	12.81
d UBZ Liquidity Fund $	$	114.0924
d UBZ Liquidity Fund DM	DM	125.5893
d UBZ Liquidity Fund Ecu	Ecu	126.4172
d UBZ Liquidity Fund SF	SF	122.2092
ALFRED BERG		
d Alfred Berg Norden	$	185.70
Alfred Berg Sicav		
d Far East	$	151.04
d Germany	DM	228.29
d Global	$	172.98
d Japan	Y	12177.00
d Netherlands	Fl	225.44
d North America	$	114.76
d Switzerland	SF	177.34
d U.K.	£	72.54
ALPHA FUND MANAGEMENT, LTD		
48 Par-La-Ville Rd, Hamilton, HM11 Bermuda		
w Alpha Asia Hedge (Jun 27)	$	128.87
m Alpha Europe Fd (May 31)	Ecu	251.67
m Alpha Futures Fd (May 31)	$	204.40
m Alpha Glbl Prp Trst Jun 30	$	93.78
m Alpha Global Fd (May 31)	$	938.77
m Alpha Hedge Fd (May 31)	$	421.86
m Alpha Japan Spec (Apr 30)	$	284.81
m Alpha Latin Amer (May 31)	$	280.12
m Alpha Pacific Fd (May 31)	$	402.74
m Alpha SAM	$	128.74
m Alpha Short Fd (May 31)	$	48.45
m Alpha Sht-T Fix Inc/May 31	$	118.47
m Alpha Tilldale Fd (Jun 30)	$	172.89
m Alpha Worthington (May 31)	$	108.16
m Buch-Alpha EurHdg May 31	Ecu	120.08
m Crescat Asian Hedge Jun 30	$	108.28
m Globalvest Value (Jun 30)	$	121.30
w Heisei Japan Fund	Y	11801
m Hemisphere Neutral May 31	$	102.46
m Lattivest Value (May 31)	$	89.78
m NichAmi Aurelia (May 31)	$	178.99
m Pacif RIM Opp BVI Jul 04	$	105.31 E
m Ringgen Int'l Fund/May 31	$	97.55
m Sage Int'l Fd (Jun 30)	$	112.12
m Salus Int'l Fd (Jun 30)	$	106.97
ARRAL ASSOCIATES LTD		
w Arral American Quant Fd	$	72.15
w Arral Asian Fund	$	378.77
w Arral Int'l Hedge Fund	$	208.24
ATLAS CAPITAL MANAGEMENT LTD		
d Far East USD A (Div)	$	24.9680
d Far East USD B (Cap)	$	25.0837
d Japan JPY A (Div)	Y	1149.8805
d Japan JPY B (Cap)	Y	1149.8805
d Parsec FRF B (Cap)	FF	115.4703
d Latin America USD A (Div)	$	22.8106
d Latin America USD B (Cap)	$	22.8106
d North America USD A (Div)	$	14.0761
d North Amer USD B (Cap)	$	16.0761
d Asia USD A (Div)	$	10.0228
d Asia USD B (Cap)	$	10.0228
d World USD A (Div)	$	9.7567
d World USD B (Cap)	$	9.7567
BUCHANAN FUND LIMITED		
c/o Bank of Bermuda Ltd: (809) 295-4000		
I Global Hedge USD	$	11.12
I Global Hedge GBP	£	13.88
I European & Atlantic	$	11.52
I Pacific	$	13.99
I Emerging Markets	$	23.82
CAISSE CENTRALE DES BANQUES POP.		
d Fructilux - Obl. Fses A	FF	8479.57
d Fructilux - Obl. Euro B	Ecu	1365.35
w Fructilux - Actions Fses C	FF	9388.24
d Fructilux - Actions Euro D	Ecu	1702.44
d Fructilux - Court Terme E	FF	8483.58
d Fructilux - D Mark F	DM	1086.15
CALLANDER		
w Callander Emer. Growth	$	120.35
w Callander F-Asset	$	142.41
w Callander F-Austrian	AS	1237.48
w Callander F-Spanish	Pta	8271.80
w Callander F-US Health Care	$	51.16
w Callander Swiss Growth	SF	149.34
CAMPBELL (BERMUDA) LTD		
w Glbl Institutional (3 June)	$	919.91
CANADIAN INTERNATIONAL GROUP		
d CI Canadian Growth Fd	C$	6.26
d CI North American Fd	C$	7.80
d CI Pacific Fund	C$	17.36
d CI Global Fund	C$	9.57
d CI Emerg Markets Fd	C$	8.87
d CI European Fund	C$	5.74
d Canada Guar. Mortgage Fd	C$	10.12
CAPITAL INTERNATIONAL		
w Capital Int'l Fund	$	131.99
w Capital Italia SA	$	43.81
CDC INTERNATIONAL		
w CEP Court Terme	FF	175218.27
w GFI Long Terme	FF	1517288.40
CHEMICAL IRELAND FD ADM LTD		
353-1 44 13 433		
w Korea 21St Century Invt	$	9.96
w The Yellow Sea Invt Co	$	10.78
CINDAM BRAZIL FUND		
d Cindam Equity Fund	$	114.8941
d Cindam Balanced Fund	$	110.5384
CITIBANK (LUXEMBOURG) S.A.		
POB 1373 Luxembourg Tel. 477 95 71		
d Citinvest Global Bond	$	97.89
d Citinvest FGP USD	$	1214.82
d Citinvest FGP ECU	Ecu	1238.40
d Citinvest Selector	$	1391.87
d Citicurrencies USD	$	1632.11
d Citicurrencies DEM	DM	143.81
d Citicurrencies GBP	£	163.15
d Citicurrencies Yen	Y	13407.00
d Citiport N.A. Equity	$	226.84
d Citiport Cont. Euro Equity	Ecu	173.90
d Citiport UK Equity	£	136.59
d Citiport French Equity	FF	1347.40
d Citiport German Equity	DM	91.87
d Citiport Japan Equity	Y	3055.00
d Citiport IAPEC	$	212.63
d Citiport Eamec	$	175.40
d Citiport N.A. $ Bond	$	157.13
d Citiport Euro Bond	Ecu	145.73
d Managed Currency Fund	$	143.47
CITIBANK (PARIS) S.A.		
EBC FUND MANAGERS (Jersey) LTD		
1-3 Seale St, St Helier : 0534-36331		
EBC TRADED CURRENCY FUND LTD		
d Capital	$	24.174
d Income	$	15.357
INTERNATIONAL INCOME FUND		
d Long Term	$	31.1742
d Long Term - DMK	DM	105.2285
ERMITAGE LUX (352-4073 38)		
w Ermitage Inter Rate Strat	DM	10.85
w Ermitage Selz Fund	$	62.00
w Ermitage Asian Hedge Fd	$	10.81
w Ermitage Euro Hedge Fd	DM	11.31
w Ermitage Crosby Asia Fd	$	11.71
w Ermitage Amer Hdg Fd	$	8.34
w Ermitage Emer Mkts Fd	$	14.56
EUROPA FUNDS LIMITED		
d American Equity Fund	$	252.43
d American Option Fund	$	150.16
w Asian Equity Fd	$	124.47
w G.T. Korea Fund	$	5.93
w G.T. Newly Ind Countr Fd	$	62.01
w G.T. US Small Companies	$	23.81
GUERNSEY CAPITAL MANAGEMENT LTD		
f GCM Global Sel. Eq.	$	105.19
GUINNESS FLIGHT FD MNGRS (Gsey) Ltd		
GUINNESS FLIGHT GLBL STRATEGY FD		
d Managed Currency	$	38.52
d Global Bond	$	33.77
d Global High Income Bond	$	21.31
d Gilt & £ Bond	£	18.44
d Euro High Inc. Bond	£	28.99
d Global Equity	$	91.47
d American Blue Chip	$	27.24
d Japan and Pacific	$	132.94
d UK	£	24.96
d European	$	113.15
GUINNESS FLIGHT INT'L ACCUM FD		
d Deutschemark Money	DM	89.836
d US Dollar Money	$	30.611
MERRILL LYNCH SHORT-TERM WORLD INCOME PORTFOLIO		
d Class A	$	8.35
d Class B	$	8.35
MERRILL LYNCH		
GLOBAL CURRENCY BOND SERIES		
AUSTRALIAN DOLLAR PORTFOLIO		
d Category A	A$	17.93
d Category B	A$	17.58
CANADIAN DOLLAR PORTFOLIO		
d Category A	C$	13.80
d Category B	C$	13.47
CORPORATE HIGH INCOME PTFL		
d Class A-1	$	9.26
d Class A-2	$	9.82
d Class B-1	$	9.25
d Class B-2	$	9.79
DEUTSCHE MARK PORTFOLIO		
d Category A	DM	13.06
d Category B	DM	12.75
EUROPEAN BOND PORTFOLIO (DM)		
d Regent Glbl Reserve	$	2.1575
d Regent Glbl Resources	$	2.5816
d Regent Glbl Tiger	$	3.2434
d Regent Glbl UK Grth Fd	$	1.7780
w Regent Moghul Fd Ltd	$	9.64
m Regent Pacific Hdg Fd	$	121.5437
w Regent Sri Lanka Fd	$	9.37
w Undervalued Assets Ser I	$	11.15
ROBECO GROUP		
POB 973,3000 AZ Rotterdam,(31)10 2241224		
d RG America Fund	Fl	133.10
d RG Europe Fund	Fl	125.80
d RG Pacific Fund	Fl	141.58
d RG Divirente Fund	Fl	53.40
d RG Money Plus F FL	Fl	114.97
d RG Money Plus F $	$	104.27
d RG Money Plus F DM	DM	112.23
d RG Money Plus F SF	SF	107.84
More Robeco see Amsterdam Stocks		
ROTHSCHILD (GROUP EDMOND DE)		
IN-HOUSE FUNDS		
w Asian Capital Holdings Fd	$	60.62
d Emi Belg. Ind. Plus B	BF	11504.00
d Emi France Ind. Plus A	FF	893.95
d Emi France Ind. Plus B	FF	918.24
d Emi Germ. Ind. Plus A	DM	101.05
d Emi Germ. Ind. Plus B	DM	104.56
d Emi Neth. Index Plus A	Fl	643.77
d Emi Neth. Index Plus B	Fl	657.87
d Emi Spain Ind. Plus A	Pta	10898.00
d Emi Spain Ind. Plus B	Pta	11365.00
d Emi UK Index Plus A	£	122.45
d Emi UK Index Plus B	£	123.40
w Espir. Sto Inv. M Ecu Bd Fd	Ecu	104.43
w Espir. Sto Inv. Sm Ew Fd	$	6.78
w Vulture Ltd	$	2627.35
m Welles Wilder Intl Fd	$	155.48
w Wilier Japan	Y	232.00
w Wilier South East Asia	$	16.19
w Willowbridge Intl CFM	$	933.09
d Win Global Fd Bd. Pftl	Ecu	140.43
d Win Global Fd Eq. Pftl	Ecu	123.87
d Win Global Fd Res Pftl	SF	226.11
d World Balanced Fund S.A.	$	12.79
m Worldwide Limited	$	89.16
w WPG Farber O'seas Port	$	148.6905
m WW Capital Grth Fd Ltd	$	1006.20 E
m Young	SF	196.79
m Zephyr Hedge Fund	$	256.86
m Zweig Int'l Ltd	$	20084.00

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SPORTS

Expos Overtake Braves With Defeat of Padres

The Associated Press

After opening the season 13-1, the Atlanta Braves looked like runaway winners in the National League East. Now look who's in second place.

Atlanta is looking up in the standings for the first time since Sept. 9 of last season. The Montreal Expos finally caught the Braves after nipping at their heels for a month.

NL ROUNDUP

Montreal, which trailed Atlanta by 8½ games before the season was even a month old, won their fourth straight game Sunday, an 8-2 victory over the San Diego Padres.

Wil Cordero, named to replace Cincinnati's Barry Larkin on the NL's All-Star team before the game, hit his first career grand slam as the Expos completed a four-game sweep of the Padres.

"Things have really come together for this team," Cordero said. "Things have come together for me. I mean, making the All-Star team is just unbelievable. This is something you dream for."

The Expos, who outscored the Padres, 34-3, in the series, have been a nightmare for the Padres.

Sunday's victory was Montreal's ninth straight over San Diego, and the Expos' 19th in 21 games with the Padres.

"We could have been playing anybody the way we were playing," said, Felipe Alou, Montreal's manager. "The kind of pressure we put on them in these four games, not too many people can handle that."

Moises Alou hit two homers and Jeff Fassero shut down the Padres after giving up two runs in the first inning. He gave up six hits and struck out eight in six innings.

Mel Rojas pitched the final three innings for his 15th save.

Joey Hamilton was rocked in the worst outing of his young career. He lasted five innings and allowed seven runs and seven hits, including one of Alou's homers and Cordero's grand slam.

Pirates 7, Reds 6: Tom Foley's one-out double in the 11th scored pinch-runner Al Martin as Pittsburgh overcame a 6-0 deficit at Cincinnati.

Don Slaught, pinch-hitting for Steve Cooke, walked leading off and was replaced by Martin. Lance Parrish sacrificed before Foley doubled down the right-field line off Hector Carrasco.

Blas Minor got the final three outs for his first save as the Pirates snapped a four-game losing streak with their first victory at Riverfront Stadium since July 2, 1993.

Trailing 6-0, Brian Hunter hit his second career grand slam in the sixth before the Pirates tied it with two in the eighth.

Mets 5, Dodgers 1: In Los Angeles, Bobby Bonilla, Rico Brogna and Joe Orsulak homered to back eight solid innings by Bret Saberhagen. Saberhagen ran his career record against the Dodgers to 5-0 with his third straight victory.

Pedro Astacio gave up just two hits in seven innings, striking out 10. He took his first loss since June 1 in Atlanta.

Jeff Kent was hit by Astacio with one out in the second, and Brogna, a rookie, homered for the fifth time in 10 games.

Astros 5, Cubs 3: Orlando Miller, playing his third major-league game, hit two home runs out of Wrigley Field. Jeff Bagwell drove in his NL-leading 82d run and Pete Harnisch got his third straight victory for Houston, which enters the All-Star break 2½ games behind Cincinnati in the Central Division.

Miller, called up from Class AAA Tucson on Wednesday, hit his first homer in the fourth, giving the Astros a 3-0 lead. In the eighth, Miller bomered again, making it 5-1.

Kevin Foster took the loss, giving up six hits and four walks in six innings.

Giants 2, Phillies 1: Pinch-hitter Jeff Reed's single in the 10th scored Dave Martinez to give San Francisco a four-game sweep of the visiting Philadelphia.

Reed's two-out single off Doug Jones drove in Martinez, who led off with a single and moved to second on Royce Clayton's sacrifice. Dave Burba pitched 1⅔ innings for the victory.

Bobby Munoz, the Phillies' starter, took a three-hit shutout into the ninth before Darren Lewis led off with his fourth homer.

The Phillies have lost six straight games, their longest streak this season.

Marlins 6, Rockies 4: In Miami, pinch-hitter Mario Diaz hit a bases-loaded triple and the Marlins rallied from a four-run deficit for their third straight victory.

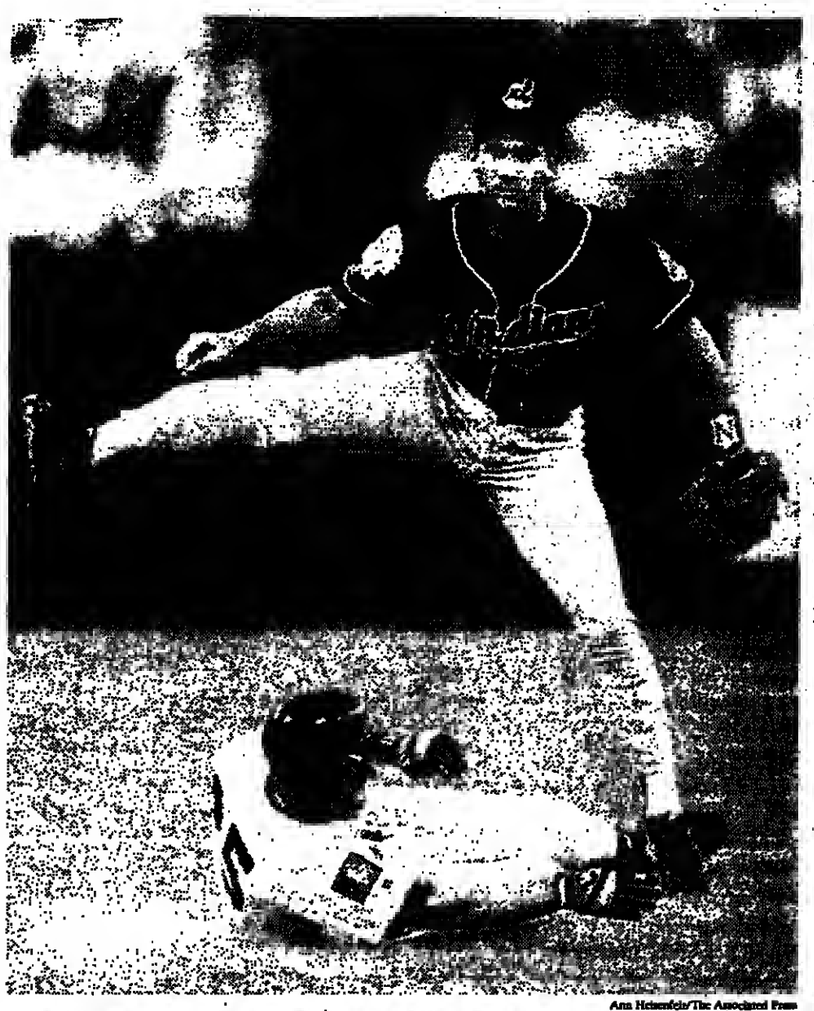
Bret Barberie doubled, homered and scored twice for the Marlins. They improved to 7-2 against Colorado, clinching the season series in the match of second-year teams.

Florida trailed, 4-2, when Barberie led off the sixth inning with a double against Mike Harkey. Kurt Abbott singled and Bob Natal walked to load the bases. Diaz then tripled on a 3-2 pitch to clear the bases.

In an earlier game, reported Monday in some editions of the Herlad Tribune:

Cardinals 6, Braves 1: In Atlanta, Mark Whiten hit a three-run homer in support of Allen Watson, and the Cardinals reached the All-Star break at .500.

St. Louis entered the three-day All-Star break at 42-42, taking two of three games from the Braves after a five-game losing streak. The Braves (52-33) have lost nine of 15 games.



Ann Heisenfelt/The Associated Press

Omar Vizquel, the Indians' shortstop, taking a big step over the Twins' Rich Becker after the forceout at second and watching as his throw to first completed the double play.

View From the Top: A Rare Perspective for Indians

The Associated Press

The Cleveland Indians will not use the All-Star break to celebrate their shocking occupancy of first place in the Central Division, with the best percentage in the American League.

They will be thinking about staying in the race in the second half — a rarity on the shores of Lake Erie, where nary a championship flag has flow since 1954.

AL ROUNDUP

Mark Clark pitched eight strong innings despite a stiff neck, and Kenny Lofton had four hits and four RBIs as the visiting Indians rolled into the All-Star break with a 9-1 victory Sunday over the Minnesota Twins.

While Clark held the Twins at bay, Lofton was busy proving why he is an All-Star. He had a homer among four hits and drove in four runs.

Lofton homered off Scott Erickson in the first inning, his 10th after hitting only six in each of his first two big-league seasons.

"Home runs just happen," said Lofton, who is batting .378. "I have the power, but I don't go for them."

The Indians are in first place at the break for the first time since 1959. Cleveland (51-33) has its best record at the break since 1954, when it was 56-27 and went on to win its most recent pennant.

White Sox 7, Brewers 2: Jack McDowell won his fifth straight game, and Lance Johnson had three RBIs and stole home as visiting Chicago won its sixth straight game.

McDowell, last year's AL Cy Young Award winner, scattered 10 hits, walked one and struck out five in eight innings. Bill Wegman allowed five runs in 5⅓ innings as Milwaukee lost its fourth straight game.

In earlier games, reported Monday in some editions of the Herald Tribune:

Athletics 5, Orioles 4: Mark McGwire hit a two-run homer off Lee Smith in the ninth as Oakland won at Baltimore. The Orioles were three outs away from taking over first place in the American League East when McGwire hit an 0-2 pitch over the center-field wall.

A victory would have pushed the Orioles past the first-place Yankees. Instead, Baltimore enters the break a half-game down.

Red Sox 9, Mariners 2: Rich Rowland had a homer among three hits and two RBIs as Boston — the worst in the American League in batting — came alive with 13 hits.

Joe Hesketh allowed five hits in seven innings. Both runs came on a homer by Marc Newfield. Hesketh came within six outs of his first complete-game victory since 1985.

Tigers 6, Rangers 5: Tony Phillips hit a three-run homer with two outs in the bottom of the ninth off Tom Henke to rally Detroit past visiting Texas.

Ivan Rodriguez hit a two-run homer for the Rangers, who despite a 42-45 record head into the All-Star break in first place in the AL West.

Angels 9, Yankees 6: J.T. Snow homered and drove in four runs, and Spike Owen and Tim Salmon also bomered for California to back Chuck Finley at Yankee Stadium.

Snow, a former Yankee, hit a two-run homer during the Angels' four-run fourth off Terry Mulholland and singled in two runs in the ninth. Owen, also an ex-Yankee, hit a two-run homer in the first and Salmon led off the fifth with his 19th homer, both off Mulholland.

Blue Jays 7, Royals 3: Juan Guzman matched a career high with nine strikeouts in seven innings, and Joe Carter had a homer among three hits and three RBIs for Toronto.

Guzman won his second straight start after breaking a streak of four straight losses. Danny Cox went the final two innings for the save in his first appearance of the season.

Unser Races to His 5th IndyCar Victory

Reuters

CLEVELAND — Al Unser Jr. got his fifth victory in the last six IndyCar races, beating Nigel Mansell by a convincing 23.89 seconds in the Cleveland Grand Prix on Sunday.

Unser, the pole-sitter and this year's Indianapolis 500 winner, won with a track-record speed of 138.026 miles per hour (220.842 kilometers per hour) in a Penske Ilmor. Paul Tracy finished third, also in a Penske Ilmor.

Unser extended his points lead to 127, ahead of his Brazilian teammate Emerson Fittipaldi with 86. Fittipaldi retired from the race because of a fire in his brake lines. Mansell, the defending series champion, moved into third place with 72 points.

Unser drove a flawless, uneventful race, while Mansell, in a Lola Ford Cosworth, had two close calls that could have eliminated him.

"It was a pretty good run," Unser said. "I was fortunate to get a good start."

Mansell's first incident occurred when he was about to lap teammate Mario Andretti, who was trying to overtake slower traffic. They tangled.

In the closing laps, Mansell brushed the wall with his left rear tire.

Cloud of Strike-Talk Is Hanging Over The All-Star Game

By Claire Smith
New York Times Service

NEW YORK — Strike. Like a giant storm cloud, that word will hang over Pittsburgh this week, obscuring what would otherwise be baseball's most joyous event — the annual All-Star Game.

The game will be played Tuesday. And the anticipation this time around is described by some in major league baseball as being greater than last year highly successful All-Star week in Baltimore.

Perhaps the ticket demand is so great because of the wondrous numbers being posted by players like Jeff Bagwell and Ken Griffey Jr. But perhaps Pittsburgh has also become the place to be because so many fans are now convinced this game will be the only jewel the sport will be able to showcase this year, so gloomy are forecasts of a long, bitter strike.

In other words, eat, drink and be merry, for tomorrow the game may die. The players hold in great disdain the owners' demands for a salary cap, and they seem to be prepared to wield their hammer — the right to strike — for the first time since 1985.

And unlike the relatively small blip on the screen that was the two-day strike in 1985, what lies ahead may turn out to be as hostile as the 50-day strike in 1981.

This is the atmosphere under which the players and owners come together in Pittsburgh. As a result, the game will provide not only a stage for the talent but a platform for the issues.

Players like the Yankees' Wade Boggs and Jimmy Key, the Dodgers' Mike Piazza, the Rangers' Ivan Rodriguez and the Expos' Marquis Grissom will likely address the division races their teams are waging. But they will also have to address questions about a strike and its possible consequences on those races.

In the same way, Griffey, Matt Williams, Frank Thomas and Albert Belle will be quizzed not only about their spirited chase of Roger Maris's record of 61 home runs in a season but about the calendar prematurely running out on them. For, as Thomas said weeks ago, "We all know there will be a work stoppage."

Indeed, most of us do assume that. For those who don't, the All-Star Game will offer vivid warnings. Even as the All-Stars begin their practicing Monday, other players who have converged on the city will be meeting as members of the union's executive board. That gathering will carry just as much, if not more, import than anything that can possibly unfold on the field at Three Rivers Stadium.

Of course, this isn't the first time this year, this week or even this day that the real world has intruded on sports. Tales of murder, drug use, spousal abuse, gambling and thuggery have elbowed their way onto sports pages, with no end in sight. The same can be said of labor issues.

Because the business of sports now pervades the coverage of sports, many decry the loss of the safe haven that games once offered. Some argue, though, that these so-called games have always been about business. And those who make that argument include the pitchers Goose Gossage and Joe Black.

To Gossage's knowledge, he and Charlie Hough might be the only players to have been through every work stoppage in the major leagues.

Gossage, now a reliever with the Seattle Mariners, was a rookie with the White Sox in 1972 when the players first struck. He knew little of the issues that April, he said. This much he did know.

"I was on the streets of Chicago with a pocket full of change," he said. "I couldn't call home for money because my mother didn't have any." He at least had a sister living in Chicago. But his minimum wage of $12,500, once enticing, was now in danger. "I had $27 in my pocket," he said. "It was scary."

Gossage survived. To star in the majors. And, alas, to see all the battles: more strikes in 1980, 1981 and 1985; the lockout of players by owners in 1973, 1976 and 1990.

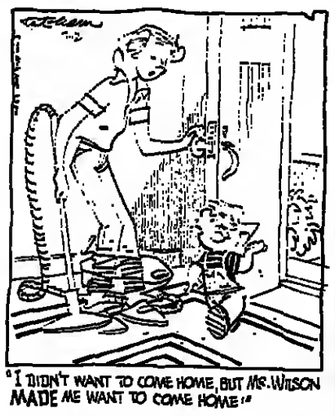
Gossage, long since schooled on the issues, says, "Everything is much clearer now." And he is a walking example of how a union has learned to prepare its members for battle.

Before Joe Black joined the Brooklyn Dodgers in 1952, he played in the Negro leagues, and he remembers how in the 1940s, before those players could join the majors, let alone a union, there was widespread disdain for the position the Negro league owners held on salaries. He remembers two all-star squads from the Negro leagues acted on that disdain by refusing to take the field before an all-star game.

"We refused to leave the clubhouse," Black said. "The owners came down, but we wouldn't leave. We got our money. We went all the way from $25 to $75 for the game."

Modern-day players would probably smile at such a story but cringe at such paltry sums of money. Owners would probably cringe at any tale of management cave-ins but smile at nostalgic references to dollar figures.

DENNIS THE MENACE



"I DIDN'T WANT TO COME HOME, BUT MR. WILSON MADE ME WANT TO COME HOME!"

PEANUTS

GARFIELD

CALVIN AND HOBBES

WIZARD of ID

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

WREEF

TUISE

LEETEY

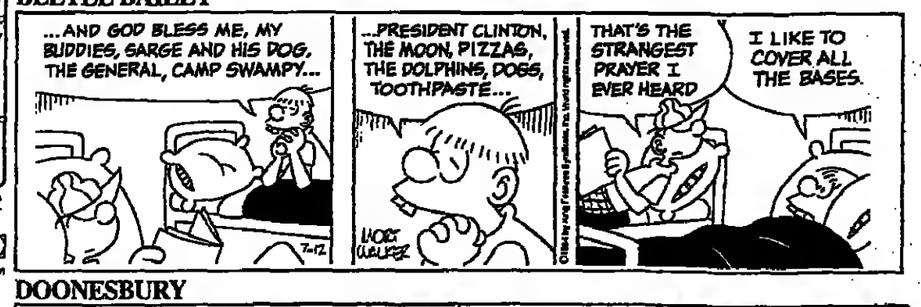
DIPALL

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

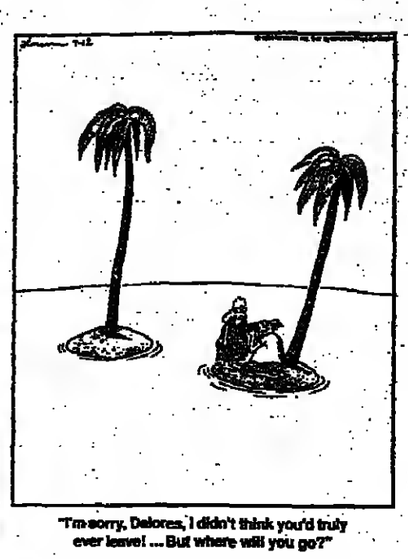
Answer: THE ○○○○○○ OF THE ○○○ (Answers tomorrow)

Yesterday's Jumbles: PLAIT TRULY BESIDE LOCATE
Answer: What a hotel room upgrade can become — A SUITE DEAL

BEETLE BAILEY



THE FAR SIDE



"I'm sorry, Delores, I didn't think you'd truly ever leave! ... But where will you go?"

BLONDIE

DOONESBURY

هكذا من الاصل

SPORTS

Scorching the Pack, Indurain Takes Lead

By Samuel Abt
International Herald Tribune

BERGERAC, France — Big Mig is back.

Riding with his accustomed power, Miguel Indurain trashed the Tour de France pack Monday in an individual time trial and started toward his fourth consecutive victory in the world's greatest bicycle race.

There had been some doubts about the Spaniard's strength and speed because he finished third in the three-week Giro d'Italia in June after two consecutive victories in that race. Worse, he failed to win a time trial after dominating the race against the clock in the Giro for two years.

Not to worry. Indurain answered his critics in the initial six kilometers (3.7 miles) as he clocked the fastest time to that first checkpoint. Then he began gathering speed.

Barely 10 kilometers later he had overhauled the rider who started two minutes before him, Lance Armstrong of the Motorola team. Other victims began turning up regularly in Indurain's wake.

At the end of the 64-kilometer time trial from Périgueux to Bergerac in the hospitable Périgord region of southwestern France, the carnage was nearly total.

Indurain, who rides for the Banesto team, finished at least four minutes ahead of all 175 other riders except for his main rival, Tony Rominger. And the Swiss, who rides for Mapei-Clas, was able to limit his loss only to a big two minutes.

The winner was timed in one hour 15 minutes 58 seconds over a demanding course in a stifling heat in the low 90s Fahrenheit (30s centigrade). An intermittent light breeze did nothing to hinder the riders but kept tens of thousands of fans along the course from swooning.

"Despite the heat, I tried to do my maximum and I think I succeeded," said Indurain, who can understate almost as well as he can time trial.

His face impassive, he gulped water from a big bottle once across the line and then continued: "I think we have the team to defend the jersey."

He is wearing the yellow jersey of overall leader by 2:28 over Rominger, with Armand De Las Cuevas, a Frenchman with Castorama, third, 4:40 behind. Thereafter the numbers belong to astronomy.

De Las Cuevas finished third Monday with a deficit of 4:22. Thierry Marie, another Frenchman with Castorama, was fourth, 4:45 behind, and Chris Boardman, the Englishman who rides for the Gan team and who wore the yellow jersey for three days after he won the prologue on July 2, was fifth, 5:27 behind. Boardman is in seventh place overall.

Although there probably will be many more challenges and surprises, Indurain answered the big question Monday.

Looking wan, Rominger paid the obvious tribute.

"I have to admit that Indurain was stronger today," he said.

Rominger, who had spurts of bad luck last year when he finished second to Indurain in the Tour, had a flat tire a bit less than halfway through the stage and lost perhaps 30 seconds in having his wheel changed.

Wearily referring to his two-minute deficit, he said, "I'll have to see if I can make it up in the mountains."

This 81st Tour will enter the Pyrenees on Wednesday and the Alps on July 19. The end of the three-week race is scheduled in Paris on July 24.

Although there probably will be many challenges and surprises before then, Indurain answered the big question Monday. He regained his rhythm, he said, in the first eight stages of the Tour.

He demonstrated that rhythm as he rode along a twisty back-country road that had several patches of melted tar. Up the gradual climbs and down the sinuous descents went Indurain, his body immobile from the waist up to reduce resistance, his face set in concentration, his line of attack through the many turns always tight.

His power and speed were plain to see. At the 15-kilometer checkpoint, he led Rominger by 55 seconds, De Las Cuevas by 1:02 and Boardman, the former holder of the record for the hour's ride against the clock, by 1:36.

The lead increased by the next checkpoint, at Kilometer 29.8, where Rominger was 1:23 behind, De Las Cuevas 1:59 behind and Boardman 2:28 behind.

The road became gentler after that, its curves tamed and its surface smoother. Indurain kept pounding and caught and passed De Las Cuevas with 10 kilometers to go.

An earlier casualty of the Indurain flypast, Armstrong, the American who is the professional road-race world champion, finished in 13th place, 6:23 down. He was hoping to monitor his development in the race against the clock since the last Tour and the finding was mixed: Last year he lost 6:04 to the winner, again Indurain, but finished 27th.

Farther down the list was Luc Leblanc, the Frenchman with Festina who rashly decided Sunday to expend his energy by impressing fans in his native region and going on a long, and personally unsuccessful, breakaway.

Leblanc finished 26th on Monday, 8:04 down, and ranks 16th overall. Possibly Leblanc believed all the hooey about Indurain's loss of dominance and thought the time trial would be close.

Robert Pratta/Reuters

Miguel Indurain charged to a time trial victory Monday, taking the leader's yellow jersey.

Notre Dame to Join Big East, Except in Football, in 1995

Compiled by Our Staff From Dispatches

SOUTH BEND, Indiana — Notre Dame will join the Big East Conference in all sports except football in July 1995.

Notre Dame was approved by a unanimous vote of the Big East's 12 members, including the recent additions West Virginia and Rutgers, according to a written statement from the Reverend Donald J. Harrington, president of St. John's and chairman of the Big East Conference presidents.

Notre Dame has been a member of the Midwestern Collegiate Conference, a nonfootball conference, in every sport but basketball.

The fighting Irish will remain an independent in football.

Notre Dame was rumored to be among the teams considered when the Big East expanded in March to take in Rutgers and West Virginia, but the college presidents and chancellors decided to limit membership to 12 schools.

But that decision did not rule out "what would be a unique exception to this policy," Harrington said. The addition of Notre Dame is "just such an exception."

The struggle in recent years of Notre Dame's men's basketball program has fueled speculation that the school would eventually have to abandon its status as an independent in the sport to gain the benefits of a high-profile league.

That speculation reached its peak late last winter, as differences between football and basketball interests within the Big East created what Commissioner Mike Tranghese called the most serious threat in the history of the conference.

Notre Dame was interested in the possibility of a new, scaled-down Big East that would have resulted had those schools with major college football commitments carried through with their threat to form a separate all-sports conference. The Irish were one of several teams that could have been added to the schools without major football commitments: Connecticut, Georgetown, St. John's, Seton Hall, Providence and Villanova.

But the league saved itself with the compromise admission of Rutgers and West Virginia, a move that secured the continued full-time membership of Boston College, Miami, Pittsburgh and Syracuse. But the financial prospect of splitting revenues with at least 12 other members was seen at the time as being less appealing to the Irish.

Notre Dame's athletic director, Dick Rosenthal, said at the time that while campus leaders were considering future commitments, he continued to feel that joining a conference was not essential. *(AP, NYT)*

Will a Smile Turn Up on the Turnberry Course?

By Larry Dorman
New York Times Service

TURNBERRY, Scotland — There is not one Turnberry. There are two, three, perhaps even four Turnberrys.

Now fair, now foul, now warm, now cold, the climate and mood on the stark northwest coast of Scotland change more often than in the European Union. And the swiftness and variety of the changes can be just as breathtaking.

The Turnberry we encounter this day, the weekend before the 123d British Open golf championship is to begin, must be a close kin to the day the Scots decided to invent whisky.

Wind, like the poet's whetted knife, slices across the Ailsa Course, blowing pinpoint, cold raindrops that hit the skin with a buck-shot sting.

Whitecaps bare their teeth across the gray waters of the Firth of Clyde, and just one solitary golfer is brave enough to make his way around the links.

Bending at the waist as he comes up the 18th fairway leaning into the gale is the familiar figure of Gary Player. Naturally. Who else could it be? The man, now 58, is playing in his 40th consecutive British Open.

He has been in the championship every year since 1955, won it twice, yet his enthusiasm has not waned. He has been practicing here every day since last Wednesday.

A little pitiless Scottish weather to such a hearty soul is an occupational hazard no more troublesome than a split lip to a boxer.

"Something happens when I get here, I'm telling you, something magical," Player says. "There is just no place like it. This is golf. Why, today was so much different from yesterday. I hit 3-iron into greens where I hit 9-iron just a day before. It can change in an hour, a minute."

Besides, Player could tell you, this is nothing. You should have seen it in 1973, when a tent blew into the Firth of Clyde in the John Player Classic or during the first round of the 1986 British Open here, when the wind blew between 36 and 49 miles (58 and 79 kilometers) an hour, and 49 players in the field could not break 80.

That was the day that Greg Norman called "the toughest ever in golf." Since Norman went on to win the tournament, the observation was self-serving, but accurate.

It is possible to sit shivering on on the promontory above the 12th green, next to the monument commemorating the dead aviators who trained on the runways that are now covered by fairways, and look back to the time when these grounds served a much more critical purpose.

During World War I, the Royal Flying Corps trained here. The Royal Air Force took over Turnberry during World War II, laying runways and converting the sprawling hotel into an officers' mess and hospital.

It seems impossible to believe now, looking across the links land at the scrubbed elegance of the renovated 115-room hotel.

What must it have been like to try to land a Beaufort or a Blenheim in 40-mile-an-hour gusts like these?

Landing a golf ball on a green is, by comparison, a small matter.

This is a distinct part of the charm of this place. As big as this championship has become — and 48 of the world's top 50 players are here to make it the best field of the year — the history and surroundings of the site should serve to mitigate against players becoming too bloated with self-importance.

The elements also conspire to do that. Here in the remote, craggy land hard by the sea, there are no certainties other than that life is a struggle.

On the surface, it appears the golf course should play easier than it did in 1986, when the field stroke average was 75.4. How much easier?

The rough should be thin, owing to a couple of unseasonably dry seasons, and the greens are receptive.

Turnberry's course superintendent, George Brown, went so far as to predict recently that someone might shoot 59 on the 6,957-yard (6,349-meter), par-70 golf course.

It would seem more likely for a phantom squadron of Wellingtons to resurface from the firth and land on the remnants of the runway to the left of the 12th hole.

The most likely script will be for Turnberry to show all four of its faces, and to smile, finally, on a worthy winner.

SIDELINES

Racehorse Arazi Undergoes Surgery

NEWMARKET, England (AP) — The former French wonder horse Arazi was under intensive care Monday after undergoing surgery.

The 1991 Breeders' Cup winner, now at Sheikh Mohammed ibn Rashid al Maktoum's stud farm, was operated on after showing symptoms of colic. "Arazi's symptoms were serious enough to convince us that we had to open him up to see what the problem was," said Justin Wadham, a director of the stud farm. "What we found was a lot less serious than was first feared and, provided he gets through this critical stage, the prognosis is good."

Arazi scored a stunning victory in the Breeders' Cup Juvenile in Kentucky, and after several other big victories was billed as the best 2-year-old produced in Europe. But Arazi failed to live up to expectations in 1992, finishing eighth at the Kentucky Derby and fifth in the St. James's Palace Stakes at Ascot, England.

Peru Defeats Brazil in Davis Cup

LIMA (Reuters) — Peru defeated Brazil in their Davis Cup American zone second-round match and earned a chance to qualify for the world division, when Jaime Yzaga beat Fernando Meligheni in reverse singles.

Yzaga beat Meligheni, 4-6, 6-3, 6-4, 7-6 (7-5), in the first match Sunday to clinch the victory for Peru, which entered the last day of the three-day meeting leading, 2-1. Jaime Oncins of Brazil defeated José Luis Noriega, 6-2, 6-2, in the second match to make the final score 3-2.

● In Newport, Rhode Island, the American David Wheaton used his big serve to hold on for a 6-4, 3-6, 7-6 (7-5) victory over Todd Woodbridge of Australia on Sunday in the final of the Hall of Fame tennis tournament.

McCumber Ends His 5-Year Drought

WILLIAMSBURG, Virginia (Reuters) — Mark McCumber ended a five-year victory drought by running away with the Anheuser-Busch Classic.

McCumber fired a five-under-par 66 in winning the tournament for the second time in his 16-year career. His 72-hole total of 17-under 267 put him three strokes ahead of rookie Glen Day and five shots ahead of the 1994 U.S. collegiate champion, Justin Leonard. It was McCumber's first victory since the 1989 Western Open.

Queensland to Retain IndyCar Race

BRISBANE, Australia (Reuters) — The Australian IndyCar grand prix, the only race in the series outside North America, will remain on Queensland's Gold Coast until at least 1998, organizers said Monday.

IndyCar officials signed a new four-year contract with Australian organizers after the Cleveland grand prix in the United States on Sunday.

The agreement ended months of speculation over the future of the race, which has lost an estimated 50 million Australian dollars ($36 million) since its introduction in 1991. Although this year's race in March attracted a record 243,000 spectators, the event lost an estimated 10 million dollars.

For the Record

Earl Strom, 66, a National Basketball Association official who whistled calls against players from Wilt Chamberlain's generation to Michael Jordan's, died Sunday at his home in Pottstown, Pennsylvania. Strom, who retired after working the 1990 NBA finals, had undergone surgery in January for a malignant brain tumor. *(AP)*

More than one million people have attended 23 tour tennis events during the past six months, up 4.8 percent from a year earlier, the ATP announced Monday. *(AFP)*

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
New York	58	35	.599	—
Baltimore	50	36	.581	7½
Boston	43	44	.495	15
Detroit	40	47	.460	18
Toronto	38	48	.442	19½
Central Division				
Cleveland	51	33	.607	—
Chicago	52	34	.605	—
Kansas City	45	42	.517	7½
Minnesota	43	44	.494	10
Milwaukee	39	48	.448	13½
West Division				
Texas	42	45	.483	—
Oakland	39	48	.448	3
California	38	51	.427	5
Seattle	37	50	.425	5

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Montreal	54	33	.621	—
Atlanta	52	33	.612	1
Florida	41	47	.466	13½
Philadelphia	41	47	.466	13½
New York	40	47	.460	14
Central Division				
Cincinnati	52	35	.598	—
Houston	50	38	.568	2½
St. Louis	42	42	.500	6½
Pittsburgh	41	45	.477	10½
Chicago	36	50	.419	15½
West Division				
Los Angeles	46	42	.523	—
Colorado	42	48	.467	5
San Francisco	39	50	.438	7½
San Diego	35	54	.393	11½

Sunday's Line Scores

AMERICAN LEAGUE

Seattle 000 002 000—2 5 0
Boston 142 020 00x—9 13 0
Converse, M. Hill (3), T. Davis (5) and D. Wilson; Hesketh, Farr (8) and Rowland. W—Hesketh, 5-5. L—Converse, 9-2. HRs—Boston, Rowland (4). Seattle, Newfield (1).

Kansas City 000 001 200—3 7 0
Toronto 000 221 02x—7 8 1
Gubicza, Meacham (6), Brewer (8) and Moyne; Guzman, Cox (8) and Borders. W—Guzman, 8-9. L—Gubicza, 5-8. Sv—Cox (1). HR—Toronto, Carter (19).

Texas 001 220 100—6 12 1
Detroit 002 000 003—5 6 0
Brown, Dettmer (3), Oliver (9), Henke (9) and I. Rodriguez; Wells, Beaver (7) and Kreuter. W—Beaver, 7-2. L—Henke, 3-4. HRs—Detroit, Phillips (14), Fielder (21). Texas, C. Jones (4), I. Rodriguez (11).

California 200 010 000—3 14 0
New York 011 002 002—6 12 0
Finley, Springer (6), B. Patterson (7), Grahe (9), M. Leiter (9) and C. Turner; Mahomes, Pall (5), Wickman (8), Howe (9) and Stanley. W—Finley, 7-8. L—Mahomes, 6-7. Sv—M. Leiter (1). HRs—New York, O'Neill (16). California, Owen (3), Salmon (19), Snow (8).

Oakland 110 000 012—5 7 0
Baltimore 000 002 000—2 6 1
Darling, Eckersley (9) and Steinbach; Mussina, Eichhorn (8), La.Smith (9) and Hoiles. W—Darling, 8-9. L—La. Smith, 1-2. Sv—Eckersley (15). HRs—Oakland, McGwire (9), Brosius (8).

Cleveland 112 100 021—9 14 0
Minnesota 000 000 100—1 6 1
M. Clark, Russell (9) and S. Alomar; Erickson, Pulido (4), Willis (9), Colkin (9), Campbell (8), Aguilera (9) and Parks, Walbeck (8). W—M. Clark, 10-3. L—Erickson, 8-7. HRs—Cleveland, Lofton (18), Baerga (12). Thome (23). S.Alomar (10).

Chicago 010 004 200—7 12 0
Milwaukee 000 001 102—4 10 0
J. McDowell, R. Hernandez (9) and Karkovice; Wegman, Lloyd (6), Henry (9), J. Mercedes (8), Peters (9) and Mathieny, Wrona (8). W—J. McDowell, 7-7. W—Wegman 6-2. HRs—Milwaukee, Ja. Valentin (6). Chicago, Ventura (15).

NATIONAL LEAGUE

St. Louis 000 400 020—6 7 0
Atlanta 010 000 000—1 6 1
Watson, Arocha (8) and Pagnozzi; Smoltz, Wohlers (8), Stanton (8), Bedrosian (9) and O'Brien. W—Watson, 6-4. L—Smoltz, 6-7. HRs—Atlanta, Olivo (1). St.Louis, Whiten (7).

Pittsburgh 000 004 000 01—7 12 0
Cincinnati 101 220 000 00—6 12 0
Neagle, Dyer (6), R. Mahomes (9), Dewey (7), Cooke (8), Minor (11) and Parrish; Schourek, J. Ruffin (4), Roper (8), McElroy (8), Brantley (9), Conroy (11) and Dorsett. Toulouse (8). W—Cooke, 4-4. L—Carrasco, 4-6. Sv—Minor (1). HRs—Pittsburgh, Hunter (11). Cincinnati, Brumfield (2).

Montreal 100 010 001—3 8 0
San Diego 000 000 000—0 7 2
Fassero, Rojas (9) and Wakefield; Spoltr (7), Hamilton, Tabaka (6), Krueger (8), Hoffman (9) and B. Johnson, Ausmus (9). W—Fassero, 7-5. L—Hamilton, 5-4. Sv—Rojas (15). HRs—Montreal, Alou 2 (18), Carders (13).

New York 020 000 030—5 6 1
Los Angeles 007 000 000—1 4 0
Saberhagen, Franco (9) and Hundley; Astacio, Valdez (8), Scanlan (9) and Piazza. W—Saberhagen, 10-4. L—Astacio, 6-6. HRs—New York, Bonilla (14), Grudzielanek (6), Brosius (5).

Philadelphia 001 000 000 0—1 8 0
San Francisco 000 000 001 1—2 7 0
Munoz, Jones (9) and Pratt, Lieberthal (9); Burkett, Frey (8), Burba (9) and Manwaring. W—Burba, 1-5. L—Jones, 2-3. HR—San Francisco, D.Lewis (4).

Colorado 020 200 000—4 13 0
Florida 000 114 00x—6 9 1
Harkey, M. Munoz (6), Blair (6), B. Ruffin (8) and Girardi; Hough, Arquino (6), Mathews (7), Johnstone (8), Y. Perez (9), Nen (9) and Natal. W—Arquino, 3-1. L—Harkey, 1-5. Sv—Nen (19). HRs—Florida, Barberie (5). Colorado, Castillo (25).

Houston 002 100 000—3 14 0
Chicago 000 000 120—3 9 1
Harnisch, Te. Jones (9), Reynolds (8), Hudek (9) and Servais; Foster, Bullinger (9), Bautista (8), Otto (8) and Parent. W—Harnisch, 5-6. L—Foster, 2-3. Sv—Hudek (15). HRs—Houston, Caminiti (17), Miller 2 (2).

The Michael Jordan Watch

SUNDAY'S GAME: Jordan went 1-for-4 and had two RBIs as Birmingham defeated Carolina 13-9. He struck out in the second inning; hit a sacrifice fly to drive in a run in the fourth; grounded out third in the sixth; hit a chop single to third in the seventh to drive in a run; and lined out to left in the ninth.

SEASON TO DATE: Jordan is batting .194 (58-for-299) with 36 runs, 11 doubles, one triple, 33 RBI, 34 walks, 78 strikeouts and 20 stolen bases in 33 attempts. He has 142 putouts, 8 assists and 9 errors.

TENNIS

HALL OF FAME CHAMPIONSHIPS
Sunday, in Newport, R.I.
Finals
Singles
David Wheaton, U.S., def. Todd Woodbridge, Australia, 6-4, 3-6, 7-6 (7-5).
Doubles
Alex Antonitsch, Austria, and Greg Rusedski, Canada, def. Kent Kinnear and Wheaton, U.S., 6-4, 3-6, 6-4.

AUTO RACING

Cleveland Grand Prix

The ten finishers of Sunday's 85-lap, 201.37-mile race with starting positions in parentheses, baselaps or penalty, chassis-engine, laps completed, reason out, if any, and winner's average speed in mph: 1, (1) Al Unser Jr., U.S., Penske-Ilmor Indy V8, 85, 138.096; 2, (4) Nigel Mansell, England, Lola-T9408 Ford-Cosworth XB, 85; 3, (2) Paul Tracy, Canada, Penske-Ilmor Indy V8, 85; 4, (5) Jacques Villeneuve, Canada, Reynard Ford-Cosworth XB, 85; 5, (8) Stefan Johansson, Sweden, Penske-Ilmor Indy V8, 84.

6, (19) Raul Boesel, Brazil, Lola-T9400 Ford-Cosworth XB, 84; 7, (14) Adrian Fernandez, Mexico, Reynard Ilmor Indy V8, 84; 8, (9) Mauricio Gugelmin, Brazil, Reynard Ford-Cosworth XB, 84; 9, (13) Teo Fabi, Italy, Reynard Ilmor Indy V8, 83; 10, (23) Alessandro Zampedri, Italy, Lola-T9300 Ford-Cosworth XB, 83.

CYCLING

Tour de France

Leading placings in Monday's 64-km ninth stage, a individual time trial: 1, Miguel Indurain, Spain, Banesto, one hour 15 minutes and 58 seconds; 2, Tony Rominger, Switzerland, Mapei Clas, 2:00 mins behind; 3, Armand De Las Cuevas, France, Castorama, 4:22; 4, Thierry Marie, France, Castorama, 4:45; 5, Chris Boardman, Britain, Gan, 5:27.

6, Bjarne Riis, Denmark, Gewiss Ballan, 5:33; 7, Thomas Davy, France, Castorama, 5:35; 8, Abraham Tolono, Spain, Mapei Clas, 5:45; 9, Arturas Kasputis, Lithuania, Chazal, 6:01; 10, Piotr Ugrumov, Latvia, Gewiss Ballan, 6:04.

11, Gianluca Bortolami, Italy, Mapei Clas, 6:12; 12, Nico Emonds, Belgium, Mapei Clas, 6:16; 13, Lance Armstrong, U.S., Motorola, 6:23; 14, Jean-Francois Bernard, France, Banesto, 6:44; 15, Sean Yates, Britain, Motorola, 6:50.

Leading overall standings: 1, Miguel Indurain, Spain, Banesto, 41 hours, 19 minutes, 13 seconds; 2, Tony Rominger, Switzerland, Mapei-Clas 2 mins. 28 seconds behind; 3, Armand De Las Cuevas, France, Castorama 4:40; 4, Gianluca Bortolami, Italy, Mapei Clas 5:47; 5, Thierry Marie, France, Castorama 5:51.

6, Thomas Davy, France, Castorama 6:04; 7, Christopher Boardman, Britain, Gan 6:06; 8, Sean Yates, Britain, Motorola 6:30; 9, Abraham Olano, Spain, Mapei Clas 6:31; 10, Lance Armstrong, U.S., Motorola 6:35.

11, Bjarne Riis, Denmark, Gewiss Ballan, 6:40; 12, Dzhamolidine Abdoujaparov, Uzbekistan, Polti, 6:45; 13, Johan Museeuw, Belgium, GB MG6, 6:46; 14, Flavio Vanzella, Italy, GB MG6, 6:59; 15, Piotr Ugrumov, Latvia, Gewiss Ballan, 7:08.

TRANSACTIONS

BASEBALL
American League
CHICAGO—Called up Ron Tingley, catcher, from Nashville, AA. Optioned Dane Johnson, pitcher, to Nashville.
DETROIT—Signed Cade Gaspar, pitcher, and assigned him to Lakeland, Florida State League.
MILWAUKEE—Recalled Jeff Cirillo, infielder from New Orleans, AA. Optioned John Jaha, first baseman, to New Orleans. Signed Antone Williamson, third baseman.
MINNESOTA—Signed Todd Walker, infielder, and assigned him to Fort Myers, FSL.
SEATTLE—Activated Eric Anthony, outfielder, from 15-day disabled list. Sent Roger Salkeld, pitcher, to Calgary, PCL.
TORONTO—Optioned Shawn Green, outfielder, to Syracuse, IL.
National League
NL—Announced Marquis Grissom of Montreal will replace Lenny Dykstra of Philadelphia on 1994 National League All-Star team. Added San Francisco pitcher Rod Beck and Montreal shortstop Wil Cordero to team replacing Cincinnati pitcher Jose Rijo and shortstop Barry Larkin who are injured and will not play.
ATLANTA—Recalled Mike Kelly, outfielder, from Richmond, IL. Sent Jarvis Brown, outfielder, outright to Richmond.
CHICAGO—Optioned Blaise Ilsley, pitcher, to Iowa, AA. Bought contract of Todd Haney, infielder, from Iowa.
FLORIDA—Signed Josh Booty, shortstop, and assigned him to the Marlins, Gulf Coast League.
NEW YORK—Activated Kevin McReynolds, outfielder, from 15-day disabled list. Waived John Cangelosi, outfielder. Signed Sean Johnstone, pitcher, and assigned him to St. Lucie, GCL.
SAN FRANCISCO—Put Mike Jackson, pitcher, on 15-day disabled list, retroactive to July 7. Called up Brad Brink, pitcher, from Phoenix, PCL.

FOOTBALL
National Football League
ARIZONA—Steve Hyche, linebacker, retired.
ATLANTA—Signed Elbert Shelley, defensive back, to one-year contract.
(INDIANAPOLIS—Signed Browning Nagle, quarterback. Agreed to terms with Lance Teichelman, defensive lineman, on two-year contract; John Covington, defensive back, and Lamont Warren, running back. Named Ron Tonon scout.
MINNESOTA—Signed Brent Novoselsky, tight end, to one-year contract and Odessa Turner, wide receiver, and Cary Blanchard, placekicker.

HOCKEY
National Hockey League
BUFFALO—Agreed to terms with Scott Nichol, center.
WINNIPEG—Traded Kevin McClelland, forward, to Buffalo for future considerations.

COLLEGE
HOBART—Named Edward A. Wilson associate football coach.
LIVINGSTON—Mark Hogan, baseball coach, resigned so he can take some position at Southeast Missouri State.
LSU—Promoted men's restricted earnings basketball coach Johnny Jones to associate coach; men's part-time assistant basketball coach Bob Starkey to men's assistant basketball coach.
MIAMI, OHIO—Named Charles Coles men's assistant basketball coach.
MONTANA STATE—Kevin McLeod, men's assistant basketball coach, resigned.
NORTH CAROLINA-WILMINGTON—Named Kirk Saulny men's assistant basketball coach. Named Jon Mann women's golf coach.
PEPPERDINE—Named Geoff Zahn assistant baseball coach.
RICE—Named Chris Ferlsman's restricted earnings baseball coach.
ROBERT MORRIS—Named Bruce Carrie athletic director.
ST. JOSEPH'S—Named Al Lawson, men's tennis coach, men's and women's tennis coach.
ST. MICHAEL'S—Named Amy Molina women's assistant basketball coach.
SOUTHERN ILLINOIS—Named Dan Callahan baseball coach.
TEXAS CHRISTIAN—Named Richard Bacon assistant basketball coach.
YALE—Named Megan McMahon women's tennis coach.
VANDERBILT—Named Kerry Keating men's restricted-earnings basketball coach.
WESTFIELD STATE—Tim Buchanan, men's soccer coach, resigned.

SPORTS WORLD CUP

Old Order Changes: Once-Hungry Germans Now Down and Out

By Ian Thomsen
International Herald Tribune

EAST RUTHERFORD, New Jersey — Rudi Völler, 34 years old and retired once already, and his striking partner Jürgen Klinsmann, who will turn 30 soon, were standing in the midfield circle, leaning over the ball. They wanted to kick it — couldn't their countrymen see? One was going to tap it forward to the other and the ball would get to rolling and the Germans wouldn't stop until it was in that other net.

That is the way the Germans play — you hurt them, they hurt you worse until you can't take any more; they attack with a Doberman's trigger. Klinsmann looked over his shoulder and . . . where were they?

His teammates were walking, half-jogging. Couldn't they see he and Völler leaning over the ball like statues — the heroic kind? The statues began to wave as frantically as traffic cops.

And so the Germans, the defending World Cup champions, were beaten Sunday, even before it could dawn on them that they were losing. And they were losing to Bulgaria — Bulgaria! — which had beaten Germany once in 17 matches, which had never won a World Cup match as of 14 days before. The Germans, with three world championships in hand, had lost just once in 10 previous quarterfinals. Their rivals, Italy and Brazil, already had advanced to the semifinals — there was a private race on to decide which would become the first to win four World Cups — and each now understands completely how much the world has come to change at Germany's expense.

They were suckered in by friendly forces, beginning with a penalty awarded to Klinsmann in the 48th minute as he was tripped by the ultimate Bulgarian hero, Iordan Letchkov, while chasing a high, awkward bounce. It was a call that few opponents would take for granted — Belgium was cheated out of a much more obvious penalty one week earlier against Germany — but Klinsmann has earned the respect and occasional protection of the referees. It comes in deference to his experience. Experience would undo his team, but not before Lothar Matthäus, the 33-year-old expected to make a record 22d World Cup appearance in the anticipated semifinal with Italy on Wednesday, had converted the penalty for the Germans' first and final goal.

The Germans, with three world championships, had lost just once in 10 previous quarterfinals. Its rivals Italy and Brazil had advanced to the semifinals — there was a private race on to decide which would become the first to win four World Cups — and each now understands how much the world has come to change at Germany's expense.

Old men who fail to learn humility can be such fools. All of the German strength and history still amounted to one flimsy goal. The Bulgarians had been trying to revolt with one breakaway after another, even as Jürgen Kohler was marking Hristo Stoitchkov, the Bulgarian star at Barcelona, out of existence. As the Germans look back on it now, they will see that they were stifling only Stoitchkov — and even then he was able to beat them with a free kick.

A lot of the Giants Stadium audience moved more in reaction to Stoitchkov's 25-yard goal than the goalkeeper, Bodo Illgner. His responsibility is to assemble the wall, but he ended up being blinded by it.

"Now I'm going to retire," Illgner said. "I'm not going to continue with the national team. I want to concentrate on my club team and win the UEFA Cup. My decision was made further back. I would like to have retired as world champion."

Matthäus's international retirement is anticipated, but when he heard of Illgner's announcement he said, "It's not important now to ask about retirement. I question the people who were already prepared to retire. I question their preparation. You shouldn't talk about retirement 10 minutes after the game."

The German manager, Berti Vogts, placed some blame on defenders for not jumping to contest the shot, but he was more disappointed with Illgner's sudden retirement.

"It shows some weakness of character," Vogts said. "This is the first real human disappointment for me."

Asked about Illgner's flat-footed response to the free kick, Vogts said, "It's good that he is quitting."

Four minutes after the equalizer, the German problem came into focus. They weren't scared and they weren't hungry — and sensing this, perhaps, Vogts had sent Stefan Effenberg home for making an obscene gesture to the fans at the end of the first round. Franz Beckenbauer was among the many who criticized Vogts for overreacting.

Nonetheless, they had won in games worse than this 1-1 draw with Bulgaria and they were going to win again, or so the Germans seemed to be humming to themselves Sunday as their 5-foot, 5-inch (1.65-meter) midfielder, Thomas Hässler, was beaten on a header by Letchkov.

Said Matthäus, "We had our smallest man trying to defend Letchkov. Hässler is not that big a champion at headers."

Said Vogts, "You can't leave Hässler alone when a player the quality of Letchkov is coming down on goal."

And said Hässler: "I have nothing to say on the second goal. I'm not supposed to be in there. I was running, but the pass was already there. We lost a game that we couldn't lose."

The last time Germany relinquished the lead in a World Cup match was June 21, 1978, when Vogts, a defender at the time, turned over a 1-0 lead by accidentally putting the ball in his own net.

Meanwhile, the Bulgarians were congratulating Letchkov for more than his goal. "I had an interesting conversation with Letchkov on how Germany would play and it was very helpful," said the Bulgarian coach, Dimitar Penev. This is because Letchkov now lives in Germany and plays for Hamburg.

There is a new world order developing, decentralized and unpredictable, and as stirring as the last postwar order, which began with Hungary's 1954 final upset by West Germany. The new deal began to seep in with Denmark's 1992 victory over Germany in the European Championships, weakening the champion's aura, and it has spread to the Balkans, where Bulgaria and Romania used to be isolated and inexperienced.

Now its players have seen the world, and they aren't so easily intimidated. The Bulgarians clearly had more to gain than the Germans, who seemed to be defending their reputation rather than affirming it. Such have been the pressures on Vogts, who was always going to be judged more harshly than Beckenbauer, the winner of Germany's 1990 world title.

"I've been thinking it over the last few days, but I haven't really made up my mind," said Vogts, when asked about his own resignation. "As long as I'm still having fun, I want to continue to coach."

Is it his fault that the country has failed to develop a wave of young talent, forcing him to call Völler and Andreas Brehme out of retirement?

The future isn't what it used to be, as some Texas singer has probably sung, and so Vogts is expected to resign. Germany may choose to hire from its league rather than from within the federation.

"We in Germany have to start acknowledging the performances of other teams," Vogts said. "Other nations have caught up and we have to search for new ways. After this defeat, we will have to show we are a real team. Soccer will go on in Germany, of course."

But will it ever be the same?

In Germany, the News Is Nothing but Bad

Compiled by Our Staff From Dispatches

BERLIN — The one-word headline Monday in Bild, Germany's biggest-circulation daily, said almost everything: "Out!"

It was a surprise ouster for the defending World Cup champions, losing 2-1 to dark-horse Bulgaria, and it reverberated like a thud back home.

Fireworks crackled in Berlin for Germany's one goal against Bulgaria. But then came the two-goal Bulgarian burst, and the top item on the late news — reported before President Bill Clinton's arrival on a state visit to Germany — was the stunning defeat of the national soccer heroes.

There followed much second-guessing in Monday's newspapers.

Will coach Berti Vogts survive?

Said Bild: "Berti Vogts is not without guilt."

Bild and other media cast doubt on some of Vogts's player choices. The analysts on ZDF television thought the coach's postmatch comments — looking ahead to European competition — showed insensitivity to the magnitude of the quarterfinal loss in the World Cup.

The Berliner Morgenpost headline captured the swift turnaround in the game with the words: "Bitter! World Cup Out in 200 Seconds" — referring to the two quick Bulgarian goals that erased a German lead in the second half.

The daily Die Welt asked Vogts if he was thinking of resigning. The coach replied that he had always said he would consider calmly after the World Cup what to do. But he added: "As long as I'm enjoying it, I'll continue. And I'm enjoying it."

The fans had a different view. German TV showed scenes of delicious contrast: In Bulgaria, people danced in the streets with flags and music, while Germans at an open-air tavern in Cologne sat with leaden faces as defeat sank in.

In Switzerland, the mass-circulation Blick daily said the German team had thought it was invincible. The Blick headline read, "Germany weeps — the rest of the world laughs."

After the loss Sunday, the German goalkeeper, Bodo Illgner, said he was retiring from international competition.

"I told the coach in the changing rooms that I will not play for the national team anymore," said Illgner, 27. "I had made the decision to quit already before, but I wanted to leave with another World Cup title. It didn't work out, but I am standing by my decision." *(AP, AFP)*

Dusan Vranic/The Associated Press

Bulgarian fans poured into the streets of Sofia after the upset victory over Germany.

Soccer's Soldiers of Fortune

By George Vecsey
New York Times Service

Vantage Point

EAST RUTHERFORD, New Jersey — The road to the World Cup championship goes through Western Europe. It blasts down the Autobahn through Germany, makes a screeching dip down the Autostrada into Italy, careens back into the Autoroute of France and then races down the Autopista of Spain, toward the riches of Barcelona and Madrid.

This is reality. It just sounds like wild and crazy outsiders from Bulgaria and Sweden are invading the sacred precincts of the World Cup semifinals. They are not *auslander* or *stranieri* at all. These are tried and true practitioners of West European football. It's all about money.

This is what the United States just might be able to look forward to in 1998 in France, if enough Yanks can place themselves in favorable positions in Europe. Some day our lads may grow up to be like the Bulgarians, those battle-hardened soldiers of fortune who have plied their trade in Western Europe.

These guys were not rounded up in a park in Sofia. This is not some dream team from the Bulgarian Pub League. These guys are pros. They get around. You can tell that from hearing all the languages being spoken at the metallic stanchions that separate the players from the howling hordes of journalists in the dismal nether regions of World Cup stadiums.

Following Bulgaria's 2-1 upset over Germany on Sunday, which eliminated the defending champions and set up an Italy-Bulgaria semifinal on Wednesday, the Bulgarian players spoke in many tongues.

IORDAN Letchkov, who had scored the winning goal with a header off the worn and weathered baldness of his dome, was speaking in German with the German reporters. He earns his living, after all, in Hamburg. When officials finally directed Letchkov to a Bulgarian-English interpreter, somebody asked him if he had given any advice to his coach about the German players.

"I told him we would have to be very careful with Hässler," Letchkov said. Come to think of it, Thomas Hässler plays for Rome, so how could Letchkov have much first-hand experience with the stumpy midfielder? But everybody knows everybody at this level. That's why they call it the World Cup.

Hristo Stoichkov, the swaggering star who scored Bulgaria's first goal, was speaking Spanish in another cluster. He is a star, after all, for Barcelona. When Stoichkov finally was herded in front of an interpreter, somebody asked if he would now avenge the recent 4-0 massacre of his Barcelona club by Milan, eight of whose players are currently with Italy.

"Let us not talk about Barcelona and Milan," Stoichkov said. "We are now talking about national teams."

And this was true. When he blasted home his free kick, Stoichkov went into his Rickey Henderson home-run trot, crossing himself and blowing kisses at the very same time, and heading directly to the little cluster of Bulgarian flags, out here in the swamplands of New Jersey. And that's why they call it the World Cup.

Krassimir Balakov — he of the dark Harpo Marx curls and the never-ending sprints up and down the field — was answering my dreadful Spanish in his accented Portuguese. He is a cult figure, after all, with Sporting Lisbon.

The Bulgarians scatter so far in search of the almighty peseta, the ever-powerful Deutsche mark, the more-than-helpful franc, the weighty but still valuable lira, that they do not get to know each other's good sides. But they are having a typically American sensitivity session. And that's why they call it the World Cup.

Then there is Borislav Mikhailov, the goalkeeper who was rather baldish only last season, and now sports a marvelous head of dark hair. Doesn't he worry about going askew when he dives into the turf to stop a cannonball? Anyway, Mikhailov was responding to my ghastly French, but at least he didn't wrinkle up his nose in distaste, which is what every true French patriot does to me when I give that beautiful language a try. Mikhailov's linguistic expertise is only natural, since he guards the portals for Mulhouse.

"Je n'avais pas peur, parce qu'il y avait 40 minutes encore," Mikhailov said. This is French for "What, me worry?" That's about how he felt when Germany scored in the 49th minute.

IN ALL the languages, including body language, the Bulgarians showed they didn't think this was such a big deal. This was Cleveland State or Richmond beating Indiana in March Madness of college basketball. These guys all come from the same schoolyards.

"I have known for several years that I am a star," Letchkov said nicely, in translation. "Now you all know."

Now the world will watch the Bulgarian wanderers play the Italians, who, to a man, stay home in the ultrarich Italian league. This is not necessarily an advantage, since the Italian players get used to letting skilled forwards from Brazil and Argentina and Germany and the Netherlands do the scoring for them. This far into the tournament, these guys all know each other. And that's why they call it the World Cup.

Is Luck Smiling on Italians?

By Alex Yannis
New York Times Service

MARTINSVILLE, New Jersey — Everything was calm on the Italian front, following the triumph over Spain that put the three-time World Cup champion Azzurri in the semifinals of this World Cup of surprises.

Coach Arrigo Sacchi, his dark glasses over his bald head, his maroon shirt unbuttoned, had a cordial meeting with the press at the Italians' training center at the Pingry School.

Sacchi had originally planned to go to the Bulgaria-Germany match later in the day, but he changed his mind. He worked with the team instead and watched Bulgaria's 2-1 triumph on television. He must feel fortunate that the Germans are out and the Bulgarians will provide the opposition in the semifinals.

In fact, a number of observers in this World Cup feel that Italy has been the most fortunate team, and Sacchi agreed — up to a point.

"We feel we were fortunate against Spain because we scored when they controlled the pace in the second half," Sacchi said Sunday morning, "but I don't think we were lucky against Nigeria because we controlled most of that game."

Italy was two minutes away from elimination against Nigeria last Tuesday when Roberto Baggio, who had not scored in the opening games, stepped up to save Italy, Sacchi and himself.

Baggio tied the score at 1-1 against Nigeria with two minutes left and scored the winner on a penalty kick, 12 minutes into the overtime, for his first two goals in a tournament in which he had been expected to shine brighter than most.

Baggio followed up his heroics Saturday at Foxboro Stadium near Boston by scoring with two minutes left to give Italy a 2-1 triumph over Spain and sent the Italians to the semifinals.

"No, we're not satisfied to be in the semifinals," Sacchi said. "We cannot be satisfied. We have a lot to prove to our president and our people."

Sacchi had praise for all his players for the performance against Spain, particularly Alessandro Costacurta and Dino Baggio, who scored the first goal against Spain and also scored the only goal in the first-round triumph over Norway.

Dino Baggio was also the man who scored the winner over Portugal on the last day of qualifying.

"People didn't believe in Dino Baggio," Sacchi said of the lanky midfielder. "Two or three months before the World Cup he was not up to par, but he is having a good tournament."

Costacurta has been the steadiest influence in the middle of the Italian defense. Even though he lost his usual partner, Franco Baresi, to injury, he has been just as effective with Paolo Maldini in the last two games.

Although there are some similarities between this Italian team and the one that captured the 1982 World Cup, Sacchi refused to compare them.

"The 1982 team was a great team," Sacchi said. "Right now, this team wants to concentrate on playing the next game."

Italy and Roberto Baggio are putting up a good imitation of the '82 team, which relied on Paolo Rossi. They started slowly and have picked up momentum as they go along.

Sacchi kept reminding his listeners of the high level of competition in this World Cup and the heat and humidity that has been the norm in most games.

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SPORTS WORLD CUP

Sweden and Ravelli Stop Romania in Shootout to Reach Semifinals

Would-Be Salesman Buys His Team a Soccer Dream

By Christopher Clarey
New York Times Service

PALO ALTO, California — Just before this sun-drenched lottery of a World Cup began, Thomas Ravelli was asked to assess his Swedish team's chances of success.

Ravelli scratched his increasingly prominent forehead and responded with quiet confidence: "It has been 20 years since Sweden has had as good a team as we have now."

Four weeks later, Ravelli might want to revise that statement. Thanks in large part to his timely performance in Sunday's victory over Romania, this Swedish team is not merely the best in 20 years; it is the best since 1958, when another cohesive band from the land of short summer nights made it all the way to the final before losing to Pele and Brazil.

"We have made a great tournament," Ravelli said, shortly after his team advanced to the second World Cup semifinal in its history. "Now we have two games to go to make it even better."

With deep wrinkles around his eyes and his receding blond hairline, Ravelli looks more like the salesman he studied to be than the world-class goalkeeper he is. But at 34, the oldest player on Sweden's relatively young side, he still had enough spring in his legs and competitive fire in his heart to become the hero of Sunday's penalty-kick shootout.

Ravelli, not known for his prowess in stopping shots from the 10-meter mark, managed to stop two Sunday afternoon. His first save, against Dan Petrescu, kept Sweden's hopes alive; his second, against Miodrag Belodedici, gave Sweden the victory.

Ravelli, the son of an Austrian immigrant, did all this on the day that he tied the national record held by defender Bjorn Nordquist with his 115th cap.

"I got a fax from Bjorn before the match," Ravelli said. "He said that he wished me luck and said it was time that I beat his record."

But, with the likes of Gheorghe Hagi flying in on him at breakneck speed, Ravelli had little opportunity to dwell on personal milestones.

"I did not think at all about that," Ravelli said. "If this had been a friendly game, I would have thought about it more. But this game was too important."

Ravelli has started plenty of important games for Sweden. After winning the national title with the Swedish club team Osters Vaxo in 1980 and 1981, he moved into the starting lineup on the national team, replacing Ronnie Hellstrom. When he arrived on the scene, Sweden was no longer a world power, and it failed to qualify for the World Cup finals in 1982 or 1986.

In 1990, when Ravelli finally got the chance to play in Italy, the Swedes lost all three of their first-round matches and returned to a disappointed nation.

"We won our last qualifying game, 6-0, against Finland, and everybody thought we would be so good," Ravelli said. "Maybe we trained a bit too hard last time. We practiced twice a day, and I think it was too much."

With a new coach, Tommy Svensson, in charge, Sweden quickly regrouped and managed to reach the semifinals of the European Championships in 1992. That success, like the World Cup success of 1958, came on Swedish soil.

"This time, we are a long way from home," Ravelli said.

And even if Ravelli and the Swedes should fall short of the 1958 team by losing once more to Brazil, the man who could have been a salesman is not ready to write an end to his international career.

All he needs are 10 more caps to equal the world record for international appearances held by the legendary English goalkeeper, Peter Shilton.

John G. Mabanglo/Agence France-Presse

Thomas Ravelli of Sweden swatted away Miodrag Belodedici's penalty shot and with it Romania's semifinal hopes.

After 2-2 Draw, Swedes Triumph on Penalty Kicks

By Steve Berkowitz
Washington Post Service

PALO ALTO, California — The Swedish goalkeeper, Thomas Ravelli, stared out at the ball sitting 10 meters away on the penalty spot. He stared out at the Romanian defender Miodrag Belodedici, who was about to kick the ball after 90 minutes of regulation time, 30 minutes of overtime and a round of penalty kicks had not decided a World Cup quarterfinal here at Stanford Stadium.

"I have an opportunity to save this ball and be a hero," Ravelli thought to himself.

With a dive to his left, he did *save that ball — his second save* in penalty kicks — and he did become a hero, as Sweden continued its best World Cup performance since 1958 by defeating Romania, 5-4, on Sunday in penalty kicks after tying the game at two goals apiece on forward Kennet Andersson's header with five minutes left in overtime and playing short-handed because of midfielder Stefan Schwarz's ejection earlier in overtime.

Sweden will meet Brazil in a semifinal Wednesday at the Rose Bowl in Pasadena, California. The teams met in the first round of the tournament and played to a 1-1 tie — the only blemish on Brazil's record. Romania was eliminated from the tournament in penalty kicks for the second consecutive time. In 1990, Ireland defeated them, 5-4, after a scoreless game.

"The worst thing is to take a goal like we did in the last five minutes" of overtime, said Romania's star midfielder, Gheorghe Hagi.

"We should have won, 1-0, in ordinary time," said Ravelli, who tied Sweden's all-time record for national team appearances Sunday after many Swedish players and fans had thought *his career was finished* years ago. "But as the game developed, to win in a shootout was much more fun."

It was a finish that rewarded a less-than-capacity crowd of 81,715 that endured nearly 80 minutes of scoreless tactical jousting. After the Swedish striker Martin Dahlin hit the post with a diving header in the fourth minute, Sweden went forward in great numbers very cautiously and began retreating at the first sign of trouble. It was a move designed to contain Romania's swift counterattacking offense and the multitalented Hagi.

It worked, as the Romanians seemed incapable of creating scoring opportunities when forced to advance slowly. Their numerous and ineffective horizontal passes in the midfield drew whistles of derision in the first half's final moments. After the Swedish midfielder Thomas Brolin broke the tie in the 79th minute, however, the match picked up speed.

The Romanian forward Florin Raducioiu recorded an equalizing goal in the 89th, and penultimate, minute of regulation. He then added a go-ahead goal in the 11th minute of the 30-minute overtime. Sweden's chances of coming back dimmed a minute later when Schwarz broke up a Romanian counterattack by fouling forward Ilie Dumitrescu from behind — an infraction that resulted in his second yellow-card caution of the game and, thus, his ejection.

Schwarz will be suspended for *the semifinal match*, which could be critical, since the starting midfielder Jonas Thern missed Sunday's game because of a sprained knee and the defenders Roland Nilsson and Joachim Bjorklund played with injuries (Bjorklund, who has a pulled groin, was replaced after 83 minutes Sunday).

But in the 25th minute of overtime, Nilsson collected a loose ball on the far right wing deep in Romania's end. After a couple of dribbles, he lofted a long pass that sailed all the way across Romania's goal. Andersson was waiting for it directly in front of the left post about six meters from the goal.

The Romanian goalkeeper, Florin Prunea, came out and tried to punch the ball away, but he arrived an instant too late. Andersson outjumped him and cleanly headed the ball into the open net.

The penalty kicks started poorly for Sweden. The midfielder Hakan Mild took the first shot, and sent it well over the crossbar. However, Sweden did not miss again.

Romania made its first three kicks before Ravelli saved a shot by Dan Petrescu. Dumitrescu connected on Romania's fifth shot, sending the game to sudden-death penalty kicks, with one shot per team until there is a winner.

Sweden's Henrik Larsson, who had replaced Dahlin, made his shot. Ravelli then made his save, sending all of the Swedish players into a joyous huddle around their goalkeeper.

"Oh my God," Dahlin said of his reaction. "I had a lot of pain and I couldn't run. But I had to run."

The Romanians were left frozen in despair.

"Soccer has no mercy," said the Romanian coach, Anghel Iordanescu.

New Surgery for Van Basten

The Associated Press

ROME — In a last attempt to save his career, the Dutch soccer star Marco Van Basten had surgery Monday on his right ankle.

A World Cup Running Over With Spicy Surprises

International Herald Tribune

Rob Hughes

SAN FRANCISCO — Whatever the sting may bring to the tale, this has become the most memorable World Cup in a quarter of a century.

The gamble of taking the game to America, for reasons of commerce first, sport second, has paid off in a way no one could have imagined. For while the host nation tries to come to terms with the body blows to the sporting ethic of O. J. Simpson, Mike Tyson and Tonya Harding, soccer, which many swore was alien to U.S. culture, has scored bonus points for good behavior.

Hundreds of thousands of spectators have attended 48 matches so far without sight or sign of violence. We dare not be sanctimonious about this because there are deaths abroad connected to the game, yet where the games are happening the mood is celebratory.

Above all, we are enjoying the element of surprise that spices up life and is vital to sports. We are seeing the reaffirmation that soccer knows no bounds of culture, class or creed, and that 11 players from just about anywhere can knock 11 supposed sporting gods out of the biggest tournament on earth.

With 20 of the 24 starters dispatched home, we still have options that might allow a traditional World Cup final in the Pasadena Rose Bowl next Sunday between Brazil and Italy, both three-time winners. Or we might get Sweden vs. Bulgaria, countries that have never won the World Cup.

Most likely, I suspect, is a combination of the two: Brazil beating Sweden in one of Wednesday's semis, Bulgaria outlasting Italy in the other.

But even Brazil, which lacks only a true midfield orchestrator among certainly the most talented player pool in the competition, should presume no divine right. Its players have seen teams from Eastern Europe, teams emerging out of post-Communist confusion, eliminate Argentina and Germany, the two previous world champions.

Argentina's conqueror, Romania, was beaten on the dreaded penalty shootout by Sweden on Sunday. The Swedes are as undemonstrative as their tennis champions Bjorn Borg and Stefan Edberg, but they plot against the opponents' strengths and, believe me, they mean to win.

The victory over Romania was twofold. Sweden isolated Gheorghe Hagi, at times with foul intent. And they soft-balled the Romanians, giving a team of *lightning counterattacks no space or* pace from which to spring.

EVEN then the match was tied 2-2, and concluded as no contest ever should — on the spurious penalty lottery. That gave Thomas Ravelli, in his 115th appearance as Sweden's goalkeeper, the chance for once to play hero with two acrobatic stops.

It also desolated Romania, and made potential scapegoats out of Miodrag Belodedici and Dan Petrscu, two extremely fine defenders asked to do what they were not trained or temperamentally suited to do: score penalty kicks.

"Penalties are a lottery," admits Tommy Svensson, Sweden's coach. "But I don't know of a better system." FIFA does; it plans a sudden-death system, play on until the next goal. The sooner the better, for, even in hothouse conditions like these, that at least involves the full range of soccer skills.

Anyway, the release turned one bald, quiet onlooker on his head. Svensson rushed to the field, did a hand spring of joy, and came as close in that gesture as a Swede does to boasting.

Boastfulness, they leave to the Germans. Forgive me, but I'm glad to see the back of Germany. Like England, it has lived on its past. Like England, it was presumtuous about its own greatness. Like England, its arrogant self belief was headed for a tumble.

Germany's team had grown old. Manager Berti Vogts tried to nurse the 1990 winners through 1994 because he felt Germany's youth was uninspiring.

So, in the end, were Lothar Matthäus and Co. They stagnated in soccer's pool of progression, and how delightful that Bulgaria, population 9 million to Germany's 90 million, should outplay and *outfight them.*

Bulgaria had never won a World Cup tournament match before. It had lost its opening match here to Nigeria, 3-0. Now it has the scalps of two former champions, Argentina and Germany.

Who says Bulgaria, on the way up, will not now erase Italy, a fading, tired, frightened team depending on the ponytail strand of its talisman, Roberto Baggio?

Soccer is becoming a marvelous leveler, and with the unpredictable Hristo Stoitchkov in Bulgaria's ranks, anything can happen.

One player — another baldie — caught my eye Sunday. Iordan Letchkov's apperance is deceptive. He turned 27 on Saturday, yet when he put his head to the ball to score a superb goal against Germany it crowned a performance from him in midfield that suggested he knew exactly where, how and why his small nation might defeat Germany.

He should do. Letchkov is one of the new breed of Bulgarians, a mercenary making it abroad. He plays for Hamburg, and thus knows precisley the strengths and weakness of German players.

His unflustered performance told his colleagues there was nothing to fear, not even from Germans who had three extra days' rest and whose theatrical center-forward, *Jürgen Klinsmann, tricked* another referee into granting him a penalty.

But speaking of fear, how eerie it is to be enjoying this World Cup and its *friendly ambience while returning from* the stadiums to see on television the tragedies from other parts of the world reacting to this World Cup.

The murder of Andrés Escobar, the only player so far to officially score an own-goal here, still lies uncomfortably on the memory.

THEN there are the accidents in Naples, where a child was shot by his brother attempting to fire a salute to victory. The Romanian farmer stabbing celebrators in the street, the dead and injured in Mexico City, the rioters in the Netherlands, the wretched misfortune of a youth electrocuted in Rio de Janeiro attempting to attach flags to pylons.

Who can explain it? The sport is fine, the stadiums here are havens, and in the world far away, in the lands from which the performers come, people's emotions are being carried to catastrophic proportions.

"Soccer," says Andreas Herran, a young FIFA press officer, "is simply paying the price for being such a popular sport." It is neither simple, nor an acceptable price.

Rob Hughes is on the staff of The Times.

Brazil's Branco at 30: His Time Has Come, Again

By Malcolm Moran
New York Times Service

DALLAS — His time had come and gone. That is the way it seemed for Branco, as the national team of Brazil pushed through this World Cup with the style of its offensive skills and the substance of its defensive play. Branco's time was four years ago in Italy, or four before that in Mexico.

He turned 30 in April, the fifth-oldest name on the national team's roster. He was once considered one of his country's best defensive players, with a powerful leg in free-kick situations.

But as the Brazilians prepared to come to America, and the *smallest detail* of the national team became subject to debate, Branco's spot on the team became an issue.

Then, in the flash of a damaging elbow — Leonardo's elbow to the face of the American Tab Ramos in the first game of the *second round* — Branco received a chance.

He was starting against the Netherlands in the quarterfinal game on Saturday afternoon. He was lining up for a free kick late in the second half of a 2-2 game.

The loss of a two-goal lead, an unthinkable possibility to Brazil's followers, had created a shocking vulnerability. The clock in the Cotton Bowl was ticking above 35 minutes. Branco took the time to look, and to think that the time was right.

"Before hitting the ball I looked up at the scoreboard," he said through an interpreter. "There were 10 minutes to go. And I got it into my head it was the right moment, the just moment, and I had God's help to make it happen at that moment."

Branco's perfectly placed shot, just inside the right post little more than grass-high, became the difference in Brazil's 3-2 victory. His ninth goal in international play, in his 77th appearance, allowed his country to meet its overwhelming expectations for one more round and advance to a semifinal game against Sweden on Wednesday at the Rose Bowl in Pasadena, California.

"The pnt-up or shut-np goal," the interpreter said.

Branco acknowledged the debate over his presence on the roster. There is no way to *overstate the intensity of feeling*, even when the games are played before crowds miles and miles to the north with less passion and knowledge.

As Branco stood in an interview tent next to the stadium after the game, a collection of arms, each with a cellular telephone at the end, extended toward the new hero as each of his words was transmitted abroad.

His success at such a potentially dangerous point in the tournament, after being inactive in the four previous games, reflects a depth of talent and experience that could help Brazil become the first *four-time* winner in World Cup history.

After more than a month without playing in a game, his main *responsibility was to be*come an important part of the group that would have to defend against Dennis Bergkamp, the talented Dutch forward.

If not for the right elbow of Leonardo, and the four-game suspension that resulted, Branco would have remained a forgotten part. But now his coach, Carlos Alberto Parreira, was describing Branco as "fundamental to our team."

Daniel Garcia/Agence France-Presse

Branco, left, with teammates, illustrates Brazil's depth of talent and experience.

QUARTERFINAL RESULTS AND SCORERS

QUARTERFINALS
Saturday July 9
At Foxboro, Mass.
Italy 2, Spain 1
At Dallas
Brazil 3, Netherlands 2
Sunday July 10
At East Rutherford, N.J.
Bulgaria 2, Germany 1
At Stanford, Calif.
Sweden 5, Romania 4 (on penalties; score was 2-2 after overtime.)

SEMIFINALS
Wednesday July 13
At East Rutherford, N.J.
Italy vs. Bulgaria 2005 GMT
At Pasadena, Calif.
Brazil vs. Sweden, 2335 GMT

THIRD PLACE
Saturday July 19
At Pasadena, Calif.
Semifinal losers, 1935 GMT

CHAMPIONSHIP
Sunday July 17
At Pasadena, Calif.
Semifinal winners, 1935 GMT

Match Results

Sweden 5, Romania 4 (on penalties; score was 2-2 after overtime.)

Scorers: Sweden - Tomas Brolin (79th), Kennet Andersson (113th); Romania - Florin Raducioiu (89th and 101st).

Referee: Philip Don (England).

Red card: Sweden - Stefan Schwarz (102d).

Yellow cards: Romania - Gheorghe Popescu (22d), Tibor Selymes (35th), Nicu Bazarab Panduru (109th); Sweden - Klas Ingesson (7th), Stefan Schwarz (40d).

Goal Scorers

4 — Oleg Salenko, Russia.
3 — Jürgen Klinsmann, Germany; Hristo Stoichkov, Bulgaria.
2 — Kennet Andersson, Sweden; Gabriel Batistuta, Argentina; Martin Dahlin, Florin Raducioiu, Romania; Sweden; Romário, Brazil.
1 — Roberto Baggio, Italy; Bebeto, Brazil; Caminero, Spain; Juan Antonio Goikoetxea, Spain; Dennis Bergkamp, Netherlands; Gheorghe Hagi, Romania.
2 — Philippe Albert, Belgium; Fuad Amin, Saudi Arabia; Daniel Amokachi, Nigeria; Emmanuel Amunike, Nigeria; Dino Baggio, Italy; Georges Bregy, Switzerland; Tomas Brolin, Sweden; Claudio Caniggia, Argentina; Ilie Dumitrescu, Romania; Luis García, Mexico; Jon Andoni Goikoetxea, Spain; Hong Myung Bo, South Korea; Iordan Letchkov, Bulgaria; Adolfo Valencia, Colombia; Rudi Völler, Germany; Wim Jonk, Netherlands.
1 — John Aldridge, Ireland; Abel Balbo, Argentina; Aitor Beskirjiola, Spain; Marcelino Bernal, Mexico; Françoise Omam Biyick, Cameroon; Daniel Borimirov, Bulgaria; Bruno, Brazil; Stéphane Chapuisat, Switzerland; Mohammed Chaouch, Morocco; Marc Degryse, Belgium; David Embe, Cameroon; Alberto García, Mexico; Herman Gaviria, Colombia; Finidi George, Nigeria; Fahad Ghasheyan, Saudi Arabia; Georges Grun, Belgium; Josep Guardiola, Spain; Fernando Hierro, Spain; Ray Houghton, Ireland; Hwang Sun Hong, South Korea; Sami Jober, Saudi Arabia; Adrian Knup, Switzerland.

Roger Lima, Sweden; John Harold Lozano, Colombia; Diego Maradona, Argentina; Luis Enrique Martínez, Spain; Daniele Massaro, Italy; Lothar Matthaeus, Germany; Roger Milla, Cameroon; Hassan Nader, Morocco; Saeed Owairan, Saudi Arabia; Daniel Vasile Petrescu, Romania; Dmitri Radchenko, Russia; Raí, Brazil; Kjetil Rekdal, Norway; Karl-heinz Riedle, Germany; Bryan Roy, Netherlands; Julio Salinas, Spain; Erwin Sánchez, Bolivia; Márcio Santos, Brazil; Seo June Won, South Korea; Samson Siasia, Nigeria; Nasko Sirakov, Bulgaria; Ernie Stewart, United States; Alain Sutter, Switzerland; Gaston Taument, Netherlands; Aron Winter, Netherlands; Eric Wynalda, United States; Rashed Yekini, Nigeria.

Own Goals — Andrés Escobar, Colombia (vs. United States).

POSTCARD

Mango Mania in India

By Molly Moore
Washington Post Service

NEW DELHI — You can slice 'em, suck 'em or slurp 'em, but no matter how you cut 'em, there's not a fruit on earth that evokes more passion among Indians than the mango.

Sunny Mohar is pulp-spattered, juice-stained proof. Minutes after wolfing down 7.7 pounds (3.5 kilograms) of mangoes in four minutes at a mango eating contest here, the 24-year-old electronics engineer declared before cameras and reporters, "I'm crazy about mangoes!"

Javed Faridi, no less enthusiastic, is nonetheless a bit more dignified in his worship of the mango. Like his father before him, he invents new varieties of the subcontinent's most popular edible. The 55-year-old mango grower said he has created 300 new hybrids in his lifetime — including a mango cross-pollinated with a rose and a tiny two-gram mango the size of a grape.

The mango season — now at its peak — is anticipated in the world's mango capital with the same relish the French attach to the arrival of Beaujolais or with the fanaticism of Louisianians awaiting crawfish season. Poets even write odes to the tropical fruit. Akbar Illahabadi penned:

Neither letter nor message from my beloved send to me,
You must send something this season, mangoes let them be.

□

Why is such an oddly-shaped, difficult-to-eat, quick-to-rot fruit equated with the nectar of the Gods?

Some will tell you it's a question of sheer volume. Of the 16 million tons of mangoes grown annually around the world, 60 percent of the crop is produced by India.

Some say it is the fruit of kings and conquerors. Alexander the Great supposedly savored it and the Mogul emporers who ruled India for centuries prized their mango orchards above all others. Others argue that it's the poor man's fruit. In India — one of the world's poorest countries — a couple of mangoes and a drink of milk will give a poor man a full day's supply of nutrients.

Forget all practical explanations, say the romantics. Quite simply, "Indians love mangoes with a passion that surpasses belief," writes one of India's best-known contemporary authors, Kushwant Singh, in his lyrical book, "Nature Watch."

And pity the person who thinks just any old mango will do. With more than 1,100 varieties of mangoes grown throughout India, every type has its loyalists.

The experimental mango addict, such as grower Faridi, however, are always on the lookout for the exotic. His display, which filled almost one-third of the indoor arena of Delhi's 7th International Mango Festival, was a smorgasbord of more than 450 varieties, all grown on his 100-acre (40-hectare) farm about 35 miles (55 kilometers) from New Delhi.

□

While Faridi lovingly cradled his favored mangoes and espoused their attributes for all to hear, 41 more rambunctious mango-lovers lined up for the mango eating competition.

Each contestant was given 7.7 pounds of mangoes, an empty bucket, a knife and four minutes to devour the fruits.

Six-year-old Kamna Arora stripped her mangoes of their thick skin and gnawed ferociously at the orange pulp inside. Faridi's wife, Kaiser, ripped the top off the fruit and sucked madly.

But nobody could compete with 14-year-old Kanwar Jot Singh for style. He grabbed a mango in each fist, squeezed the pit through the top Popeye-style and jammed the fruit — two at a time into his mouth. Orange pulp drizzled down his neck and splattered the lens of photographers daring to get too close. With time to spare, he called for an extra pound and smashed them into his mouth — gobbling almost nine pounds of mangoes in four minutes. It was not a pretty sight.

A Brother Confronts a Legacy of Violence

By B. E. Stewart
Washington Post Service

CHICAGO — Mikal Gilmore has a soft voice, an understated wit and a sweet enthusiasm. He is lean and pale. His forehead arches high above his angular face, and he seems to listen thoughtfully, carefully. He is tactful when the media people, who interview him three or four times a day lately, ask fuzzy questions or think his book is a true-crime novel. When they goof, as Larry King and Charlie Rose did, and call his book "Shot in the Dark," he remains gracious.

He's on a book tour right now. But what makes his interviews unusual is the wrenching intimacy and dignity of what he has to say. His book is "Shot in the Heart." It is the tale of a family — his own — and a tale of impressive bravery, again, his own. The bravery is in investigating and writing unflinchingly and poetically of the "whole [expletive] tragedy" that is his heritage and blood.

"It took me 15 years to work up the nerve," says Gilmore. "The idea scared the hell out of me, putting myself out so publicly and in perhaps a permanent way. I was daunted. I didn't know if I could bear it."

Mikal Gilmore is Gary Gilmore's youngest brother. Gary Gilmore, on two consecutive nights in Provo, Utah, shot to death a motel keeper and a law student working at a gas station. It was not his crimes but his punishment that made him famous. Sentenced to death, Gary Gilmore refused to let his lawyers appeal. He was executed by Utah in 1977, in the first U. S. execution in 10 years.

Gary Gilmore's execution — five gunshots into a white circle pinned on his black T-shirt — and the preceding months of legal wrangling were big news. Norman Mailer wrote about it in "The Executioner's Song" and won a Pulitzer Prize.

But Mikal Gilmore's book is not just about Gary. It is about all the members of the Gilmore family and their legacy of pain and waste and degradation. It is about cruelty and betrayal of children, and the grown-up children's subsequent rage and self-destruction. It is about a violence as routine as mealtime. And it is about the one, Mikal, who survived to tell the tale.

Much of what Mikal Gilmore, 43, has to say is chilling. But he speaks easily and at length. He never expected his book to make such waves.

"It's a difficult book — dark," he says. "I was stunned at the reviews. I never expected them to be good."

Since 1976, Mikal Gilmore has been writing music criticism and thoughtful profiles for Rolling Stone. Isolated within his family, as a young boy he had turned to books and to music. "I took a great deal of solace and pleasure in life in reading," he says. And later in music. "Music has been my best friend."

Gilmore was used to investigating people's lives. But it was quite another thing to investigate himself and his family, to write of his father beating his wife and sons bloody, of his screaming mother smashing the turkey into the wall at Thanksgiving, of one brother being stabbed and eventually dying from the wounds and another murdering innocents.

Cory Wells Braun for The Washington Post

For Mikal Gilmore, there is no bitterness.

He began his book three years ago. His long-postponed "Shot in the Heart" proposal was purchased in 1991 for a reported advance of $700,000, Doubleday beating out 10 competing publishers.

He had lost his entire family long before. His father, mother and two of his brothers had died. Gary from execution, Gaylen from the stabbing wounds that never healed. Frank Jr., the oldest brother, was alive, but had vanished.

To all appearances, he was a success. Besides his Rolling Stone stories, he was music critic at the now-defunct Los Angeles Herald-Examiner. He had friends and money in the bank. He had been married. But, he says, "I had a period of intense despair. I thought I could never have my own family, children of my own. My life came to a halt. On a particularly dark night, I realized I was still held by my bonds with my family. I'd told myself I'd escaped, but I realized I had indeed come from my family. Devastation resonated in my bloodlines."

Frank Gilmore Sr. had a mother who conjured spirits, who shunted him off to boarding schools, who never spoke of her baby who had died. She claimed, and Frank believed, that his father was the magician Houdini and had abandoned them.

When Bessie Brown, Mikal's mother and Frank's seventh or eighth wife, met him, he was scamming merchants with phony advertising and hotfooting it out of town. Bessie was the rebellious daughter of a bullying father and a descendant of Mormons who had walked across the country. Her childhood was harsh, filled with tales of sin and retribution, and she fled the family farm as soon as she could.

Frank beat Mikal's three brothers viciously, at least weekly, because they dropped a piece of cake or lingered five minutes after school, or for nothing. He mocked and humiliated them. Frank Jr., the oldest, withdrew. Gary would scream and thrash, which made his father hit longer and harder. He remained the anointed troublemaker until he died.

Until Mikal was born, Gaylen was the brother most loved by his father. After Mikal's birth, Gaylen, too, was beaten and mocked.

"I told myself I was different from them," Mikal Gilmore says of his family. And he was. By the time he was born, 10 years after Gary, his father had done a turnabout, buying a house in Portland and publishing a local building codes handbook. And he was gentle with his youngest son. His father would take Mikal away on business trips for weeks on end. "My father and I," he writes, "were our own family."

But this separated Mikal from the rest of his family. "My brothers were people I wanted to be close to, that I loved," he says. "I longed for fraternity with them." He was able to achieve it, in the end, only with Frank Jr. "This book brought me to the last place I thought it would," he says. "I found my real family — Frank."

"Shot in the Heart" is too honest a book to have a happy ending. "In the beginning," Mikal says, "it was plain that you learn things so you don't have to keep repeating them. At the end I realized you don't get to a place where you're purged. The last paragraph was grim. But when I got down to the last sentences I was more elated than I've ever been in my life." In writing about his family he says he has found some peace and, yes, some happiness.

"I think a victorious life would be, at the end you are free of bitterness. I approached this book with detachment. I had no stake in vindicating or judging. I think bitterness doesn't have a place in my heart. I feel lighter now. I feel less urgency. I don't know if I would want to be anyone else. It would not be as interesting. It would be boring.

"It's a heartbreaking and devastating world," he says. "All you can do is live with as much grace as you can."

PEOPLE

Jackson and a Presley Married? Stay Tuned

You say you weren't invited, that you hadn't even heard? Well, a Dominican attorney insists he officiated at the rock wedding of the century: **Michael Jackson**, 35, all in black, marrying **Lisa Marie Presley**, 26, daughter of **Elvis**, in a snug, strapless beige dress. **Francisco Alvarez Perez**, civil records official of La Vega, Dominican Republic, says he married the two at his home on May 26. And according to an official marriage record, complete with the requisite government seals, the two were indeed wed by Alvarez on May 26. The certificate has everything but the signatures of the two principals. If this is news to you, it also is to Jackson, whose entourage dismissed the report as "not true."

□

Van Cliburn, who turns 60 on Tuesday, may have made a few mistakes in the opening of his signature piece — Tchaikovsky's Piano Concerto No. 1 — but wowed his audience as he started his first concert tour in 16 years in San Diego. The virtuoso got five ovations.

□

Oprah Winfrey gets the crown again for the third year in a row. An annual Harris poll found that she is the most popular American talk show host. She was preferred by 27 percent, while **David Letterman** got second place with 15 percent.

□

Guitars and clothing, including six specially made psychedelic jackets, belonging to the late rock star **Jimi Hendrix** will be auctioned in London on Aug. 18 on the 25th anniversary of the Woodstock rock festival.

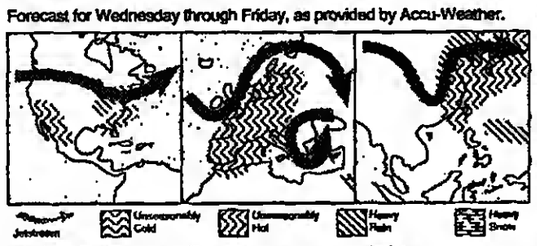
□

The "Queen of Romance," **Barbara Cartland**, celebrated her 93d birthday in Hertfordshire, England. Cartland's 580 or so books have sold more than 600 million copies.

INTERNATIONAL CLASSIFIED
Appears on Pages 11 & 16

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather.



Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algiers	30/86	19/66	s	29/84	20/68	s
Amsterdam	30/86	18/64	s	27/80	18/64	t
Athens	34/93	20/68	s	37/98	18/64	t
Berlin	29/84	21/70	pc	30/86	22/71	pc
Brussels	28/82	21/70	s	28/82	22/71	s
Budapest	22/71	13/55	pc	27/80	18/64	s
Dublin	31/88	17/62	s	30/86	18/68	s
Edinburgh	23/73	16/61	s	26/79	15/59	s
Geneva	27/80	17/62	pc	29/84	21/70	s
Copenhagen	31/88	16/61	s	29/84	19/66	s
Las Palmas	31/88	23/73	s	31/88	23/73	s
Lisbon	18/64	10/50	sh	19/66	12/53	s
London	18/64	13/55	t	18/64	13/55	pc
Madrid	27/80	18/64	s	31/88	19/66	s
Moscow	31/88	18/64	s	31/88	19/66	t
Munich	30/86	18/64	s	31/88	19/66	s
Nice	23/73	15/59	s	24/75	17/62	pc
Paris	26/79	21/70	pc	30/86	19/66	pc
Prague	26/79	21/70	s	26/79	21/70	s
Reykjavik	27/80	18/64	s	27/80	18/64	s
Rome	26/79	17/62	t	26/79	16/61	t
Stockholm	35/95	18/64	s	34/93	19/66	s
Vienna	28/82	23/73	s	31/88	21/70	s
Warsaw	29/84	15/59	pc	26/79	17/62	s
Zurich	25/77	16/61	s	27/80	17/62	s
Bucharest	26/79	19/66	pc	28/82	19/66	s
Budapest	28/82	17/62	s	27/80	16/61	pc
Dublin	27/80	22/71	s	22/80	23/73	s
Geneva	31/88	18/64	t	31/88	19/66	t
Istanbul	26/79	17/62	s	27/80	18/64	s
Kiev	13/55	9/48	sh	16/61	11/52	pc
Lisbon	31/88	21/70	s	33/91	22/71	s
Luxembourg	26/79	13/55	s	27/80	17/62	s
Madrid	28/82	16/61	s	28/82	17/62	s
Moscow	32/89	18/64	s	32/89	19/66	s
Munich	23/73	16/61	s	23/73	17/62	pc
Oslo	27/80	21/70	s	29/84	22/71	s
Paris	24/75	17/62	pc	27/80	19/66	s
Reykjavik	29/84	16/61	s	29/84	19/66	s
Rome	28/82	17/62	s	30/86	18/64	s

Oceania

Auckland	15/59	7/44	s	15/59	9/48	pc
Sydney	17/62	7/44	pc	17/62	10/50	pc

Asia

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Bangkok	32/89	24/75	t	32/89	26/79	t
Beijing	32/89	23/73	t	31/88	22/71	t
Hong Kong	34/93	22/80	pc	33/91	26/79	pc
Manila	30/86	23/73	t	31/88	24/75	sh
New Delhi	35/95	28/82	pc	34/93	28/82	t
Seoul	32/89	22/71	pc	32/89	23/73	sh
Shanghai	32/89	27/80	pc	34/93	26/79	pc
Singapore	32/89	24/75	pc	32/89	23/73	pc
Taipei	31/88	24/75	t	32/89	24/75	pc
Tokyo	32/89	25/77	pc	33/91	25/77	pc

Africa

Algiers	32/89	21/70	s	32/89	21/70	pc
Cape Town	20/68	11/52	s	22/71	12/53	pc
Casablanca	28/82	19/66	s	27/80	19/66	pc
Harare	20/68	12/53	t	22/71	12/53	pc
Lagos	28/82	24/75	sh	29/84	24/75	sh
Nairobi	21/70	11/52	pc	21/70	11/52	pc
Tunis	31/88	21/70	s	30/86	21/70	pc

North America

Anchorage	18/64	10/50	sh	18/64	9/48	s
Atlanta	32/89	22/71	pc	32/89	22/71	pc
Boston	31/88	19/66	s	32/89	20/68	pc
Chicago	31/88	20/68	pc	26/79	15/59	t
Denver	31/88	13/55	pc	31/88	19/57	pc
Detroit	31/88	20/68	pc	27/80	16/61	pc
Honolulu	30/86	23/73	s	30/86	24/75	pc
Houston	32/89	23/73	pc	34/93	24/75	pc
Los Angeles	28/82	19/66	pc	31/88	19/66	s
Miami	33/91	25/77	s	32/89	25/77	pc
Minneapolis	30/86	19/66	pc	23/73	14/57	pc
Montreal	24/75	13/55	pc	24/75	15/59	pc
Nassau	32/89	24/75	pc	32/89	25/77	pc
New York	31/88	22/71	s	32/89	23/73	pc
Phoenix	43/109	28/82	s	42/107	30/86	s
San Fran.	24/75	13/55	s	22/71	12/53	s
Seattle	26/79	13/55	s	26/79	13/55	pc
Toronto	26/79	15/59	t	26/79	15/59	t
Washington	32/89	23/73	s	34/93	24/75	pc

North America

Much of the southwest will have hot weather late this week. Only coastal areas will be cooled by a sea breeze. The southeastern states will have welcome sun much of this week, but it will turn hot and humid. Slow-moving thunderstorms will bring heavy rains to the Midwest and Great Lakes states.

Europe

A heat wave will continue into late this week from Madrid and Geneva on northward through Berlin. Very warm weather will extend northward through much of Scandinavia. A few stray thunderstorms will drift from Paris to Berlin later this week. London will turn slightly cooler with a few showers.

Asia

The remains of Typhoon Tim will cause a few heavy downpours across Beijing and Manchuria later this week. Hot and humid weather will make most days very uncomfortable from Shanghai to Seoul and Tokyo. A new tropical storm may form east of the Philippines later this week.

Middle East

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Beirut	30/86	21/70	s	31/88	24/75	s
Cairo	33/91	21/70	s	34/93	22/71	s
Damascus	29/84	13/55	s	28/82	19/66	s
Jerusalem	29/79	15/59	s	27/80	18/64	s
Luxor	41/106	24/75	s	40/104	23/73	s
Riyadh	43/109	28/82	s	44/111	29/79	s

Latin America

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Buenos Aires	18/64	7/44	s	15/59	6/43	pc
Caracas	29/84	23/73	pc	29/84	19/66	pc
Lima	18/64	16/61	s	18/64	15/59	pc
Mexico City	24/75	13/55	sh	23/73	14/57	pc
Rio de Janeiro	20/68	14/57	pc	22/71	17/62	pc
Santiago	20/68	4/39	s	15/59	3/37	s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hca, W-Weather. All maps, forecasts and data provided by Accu-Weather, Inc. © 1994

CROSSWORD

ACROSS
1 Guzzles
7 Bebop
11 Certain muscles, informally
14 Dislocate
15 Woodwind
16 Varnish resin
17 Ancient ascetic
18 Letter writing Abbr.
19 Japanese admiral Yuko
20 Battleship
23 Mesmerized
27 "Or ——!" (veiled threat)
28 "Torero Saluting" painter
29 Rioting
31 Despicable
32 Greek market
33 Mitigates
35 Actor Matheson or Allen
36 Dictionary
40 Rogers's partner
42 Wily
43 Topple
45 Fudd of cartoondom
46 Director's cry
47 Bee activity
49 —— Downs (English race track)
52 Contented sound
53 —— fixe
54 Bluff, with a gun
57 Nuclear defense grp.
58 Russia's —— Mountains
59 Slanted
64 Petition
65 Scoop (out)
66 To wit
67 "——! We Have No Bananas"
68 Whirlpool
69 Like Parmesan

DOWN
1 Neighbor of Ont.
2 Raises
3 "—— Gratis Artis" (M-G-M motto)
4 Enemy
5 Dear, as memories
6 Two-track
7 Oedipus's mother
8 Lodging
9 Swedish painter of "At the Granary Door"
10 "Fiddler on the Roof" star
11 Straighten
12 Wash up
13 "Waverley" novelist
21 Burstyn and Barkin
22 Labor org.
23 Iranian dollars
24 Theater backer
25 Stand-in
26 Actress Garr
30 Transistor predecessor
31 "—— Misérables"
34 Cronus, to Romans
35 Meek
36 "The woman" for Sherlock
37 Traffic sign
38 Choose
41 Prefix with meter
44 Just as much
46 Bill's partner
48 Veding
49 Emerson piece
50 Aspect
51 Noted White House resident
52 Multicolored pattern
55 Slender nail
56 Sirius, e.g.
60 Drs.' org.
61 Tennis call
62 —— de France
63 Dancer Charisse

Solution to Puzzle of July 11

H	U	M	A	N		B	A	T	H		A	B	A	B
A	B	O	L	T		A	R	E	A		S	A	G	E
H	E	R	S	H	E	Y	B	A	R		T	R	U	E
A	R	N	O		G	O	O	S	E		A	B	E	T
				F	O	U	R		T	R	E	S	S	
R	A	B	B	I	S		S	P	A	R	E	R		
A	W	A	R	D			U	N	I		S	S	S	
P	A	R	A	D	E	S		N	Y	M	P	H	E	T
S	Y	M		L	A	C			M	A	D	R	I	
		I	B	E	R	I	A		P	E	P	P	E	R
L	A	T	E	R			R	O	A	D				
L	I	Z	A		S	H	I	N	S		D	O	R	A
A	D	V	T		P	A	S	S	T	H	E	B	A	R
M	E	A	T		A	L	E	E		A	L	I	K	E
A	S	H	Y		R	E	N	T		M	I	T	E	S

Puzzle by Charles Jayold

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